



LODI CITY COUNCIL

Carnegie Forum

305 West Pine Street, Lodi

AGENDA - REGULAR MEETING

Date: July 7, 2004

Time: Closed Session 5:30 p.m.
Regular Meeting 7:00 p.m.

For information regarding this Agenda please contact:

Susan J. Blackston

City Clerk

Telephone: (209) 333-6702

NOTE: All staff reports or other written documentation relating to each item of business referred to on the agenda are on file in the Office of the City Clerk and are available for public inspection. If requested, the agenda shall be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and the federal rules and regulations adopted in implementation thereof. To make a request for disability-related modification or accommodation contact the City Clerk's Office as soon as possible and at least 24 hours prior to the meeting date.

C-1 Call to Order / Roll Call

C-2 Announcement of Closed Session

- a) Conference with labor negotiator regarding Maintenance and Operators; pursuant to Government Code §54957.6
- b) Actual litigation: Government Code §54956.9(a); one case; People of the State of California; and the City of Lodi, California v. M & P Investments, et al.; United States District Court, Eastern District of California, Case No. CIV-S-00-2441 FCD JFM
- c) Actual litigation: Government Code §54956.9(a); one case; Hartford Accident and Indemnity Company, et al. v. City of Lodi, et al., Superior Court, County of San Francisco, Case No. 323658
- d) Conference with legal counsel – initiation of litigation: Government Code §54956.9(c); two cases
- e) Conference with legal counsel – anticipated litigation – significant exposure to litigation pursuant to subdivision (b) of Section 54956.9; one case; pursuant to Government Code §54956.9(b)(3)(A) facts, due to not being known to potential plaintiffs, shall not be disclosed
- f) Actual litigation: Government Code §54956.9(a); one case; City of Lodi, a California Municipal Corporation, and Lodi Financing Corporation, a California nonprofit corporation v. Lehman Brothers, Inc. and US Bank National Association, United States District Court, Eastern District of California, Case No. CIV. S-04-0606 MCE-KJM
- g) Actual litigation: Government Code §54956.9(a); one case; Lehman Brothers Inc., v. City of Lodi and Lodi Financing Corporation, United States District Court, Eastern District of California Case No. CIV-S-04-0850 FCD/JFM
- h) Actual litigation: Government Code §54956.9(a); one case; Fireman's Fund Insurance Company v. City of Lodi, et al., United States District Court, Eastern District of California Case No. CIV-S-98-1489 FCD JFM

C-3 Adjourn to Closed Session

NOTE: THE FOLLOWING ITEMS WILL COMMENCE NO SOONER THAN 7:00 P.M.

C-4 Return to Open Session / Disclosure of Action

A. Call to Order / Roll call

B. Invocation – Father Rick Matters, St. John the Baptist Episcopal Church

C. Pledge of Allegiance

D. Presentations

D-1 Awards – None

D-2 Proclamations

- a) Parks and Recreation Month (PR)

D-3 Presentations

- a) Presentation honoring Samir Barbaw, retiring adult advisor on the Greater Lodi Area Youth Commission, for his years of service (COM)
- b) Presentation by Assemblymember Alan Nakanishi to Police Chief Adams for being named California Police Officer's Association (CPOA) President for 2004-05 (CM)
- c) Presentation of the Lodi Electronic Waste Clean-up Day (EUD)

E. Consent Calendar (Reading; comments by the public; Council action)

E-1 Receive Register of Claims in the amount of \$3,551,692.59 (FIN)

E-2 Approve minutes (CLK)

- a) May 19, 2004 (Regular Meeting)
- b) June 2, 2004 (Regular Meeting)
- c) June 8, 2004 (Shirtsleeve Session)
- d) June 8, 2004 (Special Meeting)
- e) June 11, 2004 (Adjourned Special Meeting)

Res. E-3 Adopt resolution authorizing the purchase of JWalk software for use with Orcom ECIS System from Alliance Data Systems Corp., of Dallas, Texas (\$11,000) (ISD / EUD)

Res. E-4 Adopt resolution awarding the contract for installation of streetlights on Streetlight Completion Project Phase IV to Golden State Utility Company, of Turlock (\$746,528.10) (EUD)

Res. E-5 Adopt resolution awarding the contract for rental and cleaning of safety clothing for the Electric Utility Department (\$7,774) (EUD)

E-6 Accept improvements under contract for Lodi Parks and Recreation Lighting Retrofit Project, 111 North Stockton Street (PR)

E-7 Accept improvements under contract for English Oaks Common Park Shade Structure, 2184 Newbury Circle (PR)

E-8 Accept improvements under contract for Emerson Park Playground Improvements, 11 North Hutchins Street (PW)

Res. E-9 Adopt resolution accepting improvements in Hutchins Place, Tract No. 3258 (PW)

Res. E-10 Adopt resolution approving the Improvement Agreement and Water Rights Agreement for 847 North Cluff Avenue (PW)

E-11 Approve Improvement Deferral Agreement for 1400 Victor Road (PW)

E-12 Approve Improvement Agreement for Public Improvements of 715 South Guild Avenue (APN 049-250-68) and appropriate funds (\$2,440) (PW)

Res. E-13 Adopt resolution authorizing the City Manager to execute amendments to the current Measure K Environmental and Design and Construction Cooperative Agreements for the Lodi Central City Railroad Safety Project (PW)

Res. E-14 Adopt resolution authorizing the City Manager to execute Federal Transit Administration Funding Agreement between the City of Lodi and the City of Galt for federal fiscal year 2002-03 (PW)

Res. E-15 Adopt resolution for the waiver and transfer of Juvenile Accountability Incentive Block Grant funding and disbursement of matching City funds (\$1,315) (PD)

Res. E-16 Adopt resolution authorizing the City of Lodi to participate in an office supplies contract through the U.S. Communities Government Purchasing Alliance (FIN)

E-17 Authorize the Treasurer and Revenue Manager to enter into agreements with the Farmers and Merchants Bank of Central California for the issuance of a City credit card for City Attorney, D. Stephen Schwabauer, and Finance Director, James R. Krueger (FIN)

E-18 Set public hearing for July 21, 2004, to consider adoption of the Transit Division's fiscal year 2002-03 program of projects (PW)

E-19 Set public hearing for August 18, 2004, to receive comments on and consider accepting the City of Lodi's Public Health Goals Report (PW)

- Res. E-20 Adopt Resolution of Preliminary Determination and Resolution of Intention to annex Legacy
Res. Estates I, Legacy Estates II, and Kirst Estates Zone 5 and The Villas Zone 6 to Lodi
Res. Consolidated Landscape Maintenance District No. 2003-1; set public hearing and deadline for
Res. receipt of ballots for September 1, 2004; and adopt resolutions authorizing the City Manager to
execute professional services agreement task orders with Timothy J. Hachman, attorney at law
(\$6,500), and Thompson-Hysell Engineers, a Division of the Keith Companies, Inc. (\$9,500), for
services required in support of the annexation (PW)
- Res. E-21 Adopt resolution approving cost of living increases for Confidential employees (HR)

F. Comments by the public on non-agenda items

THE TIME ALLOWED PER NON-AGENDA ITEM FOR COMMENTS MADE BY THE PUBLIC IS LIMITED TO FIVE MINUTES.

The City Council cannot deliberate or take any action on a non-agenda item unless there is factual evidence presented to the City Council indicating that the subject brought up by the public does fall into one of the exceptions under Government Code Section 54954.2 in that (a) there is an emergency situation, or (b) the need to take action on the item arose subsequent to the agenda's being posted.

Unless the City Council is presented with this factual evidence, the City Council will refer the matter for review and placement on a future City Council agenda.

G. Public Hearings – None

H. Communications

- H-1 Claims filed against the City of Lodi – None
H-2 Reports: Boards/Commissions/Task Forces/Committees – None
H-3 Appointments – None
H-4 Miscellaneous – None

I. Regular Calendar

- Res. I-1 Adopt resolution approving the Impact Mitigation Fee Program Annual Report for fiscal year
2002-03 (PW)
I-2 Continued discussion regarding draft fiscal year 2004-05 Financial Plan and Budget (CM)

J. Ordinances – None

K. Comments by the City Council Members on non-agenda items

L. Comments by the City Manager on non-agenda items

M. Adjournment

Pursuant to Section 54954.2(a) of the Government Code of the State of California, this agenda was posted at least 72 hours in advance of the scheduled meeting at a public place freely accessible to the public 24 hours a day.

Susan J. Blackston
City Clerk



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: July is Parks and Recreation Month

MEETING DATE: July 7, 2004

PREPARED BY: Parks and Recreation Director

RECOMMENDED ACTION: Presentation

BACKGROUND INFORMATION: A Proclamation will be presented by Mayor Hansen to representatives of the Lodi Parks and Recreation Department proclaiming the month of July as Parks and Recreation Month.

FUNDING: None required

Tony Goehring
Parks and Recreation Director

TG:tl

cc: City Attorney

APPROVED: _____
H. Dixon Flynn, City Manager



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Presentation Honoring Samir Berbawy, Retiring Adult Advisor on the Greater Lodi Area Youth Commission, for His Years of Service

MEETING DATE: July 7, 2004

PREPARED BY: Mike Areida, Greater Lodi Area Youth Commission Liaison

RECOMMENDED ACTION: Presentation.

BACKGROUND INFORMATION: **Samir Berbawy** is the Principal of Lodi Academy. He has been married to his wife, Tanya, for 25 years. They have two grown children who have both volunteered their time in Egypt. Samir is very active in his church's ministries as well as enjoying camping as time allows. Samir derives his energy from being with young people everyday. He has been an active member of the Lodi Youth Commission since 1996.

Samir and his family will be moving to Egypt to serve as a Principal for a Seventh Day Adventist School. Samir will be greatly missed by all the members of the Lodi Youth Commission.

FUNDING: None requested.

A handwritten signature in blue ink that reads "Mike Areida".

Mike Areida
Greater Lodi Area Youth Commission Liaison

APPROVED: _____
H. Dixon Flynn, City Manager



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Presentation by Assemblymember Alan Nakanishi to Police Chief Jerry Adams for being named California Police Officer's Association (CPOA) President for 2004-2005

MEETING DATE: July 7, 2004

PREPARED BY: Deputy City Manager

RECOMMENDED ACTION: Presentation only.

BACKGROUND INFORMATION: Assemblymember Alan Nakanishi will be at the Council meeting to recognize Chief Adams on his recent installation as the California Police Officer's Association (CPOA) President for 2004-2005.

FUNDING: None

Janet S. Keeter
Deputy City Manager

JSK/sl

APPROVED: _____
H. Dixon Flynn, City Manager



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Presentation of the *Lodi Electronic Waste Clean-Up Day*

MEETING DATE: July 7, 2004

PREPARED BY: Electric Utility Director

RECOMMENDED ACTION: None required.

BACKGROUND INFORMATION: On June 16, 2004, the Lodi City Council approved, via the Consent Calendar, the first annual *Lodi Electronic Waste Clean-Up Day* event.

This exciting, new activity will be held on Saturday, August 14, 2004, from 7:00am until 10:00am, in the Public Parking lot adjacent to the Kofu Park Tennis Courts on Ham Lane. Electric Utility staff will accept aging and energy *inefficient* computer monitors, computer hardware and television sets during the event, and these products will then be properly disposed of and recycled. The first 150 eligible customers will also receive a coupon for \$50.00 off the purchase of one (1) EnergyStar® computer system or television set, if the product is purchased from a Lodi retailer.

The *Lodi Electronic Waste Clean-Up Day* event is funded through the City of Lodi Public Benefits Program, under the category of Demand-side Management (energy conservation).

FUNDING:

Funding Approval:

Vicky McAthie, Finance Director

Alan N. Vallow
Electric Utility Director

ANV/lst

APPROVED: _____
H. Dixon Flynn, City Manager



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Receive Register of Claims Dated June 23, 2004 in the Amount of \$3,551,692.59

1MEETING DATE: July 7, 2004

PREPARED BY: Finance Technician

RECOMMENDED ACTION: That the City Council receive the attached Register of Claims. The disclosure of the PCE/TCE expenditures are shown as a separate item on the Register of Claims.

BACKGROUND INFORMATION: Attached is the Register of Claims in the amount of \$3,551,692.59 dated June 1, 2004, which includes PCE/TCE payments of \$164,870.70.

FUNDING: As per attached report.

James R. Krueger, Finance Director

JK/kb

Attachments

APPROVED: _____
H. Dixon Flynn, City Manager

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As of Thursday	Fund	Name	Council Report	Date Amount	- 06/23/04
06/03/04	00100	General Fund		736,292.29	
	00123	Info Systems Replacement Fund		3,196.94	
	00160	Electric Utility Fund		20,100.68	
	00161	Utility Outlay Reserve Fund		2,851.15	
	00164	Public Benefits Fund		12,025.19	
	00170	Waste Water Utility Fund		22,177.83	
	00172	Waste Water Capital Reserve		977,940.35	
	00180	Water Utility Fund		1,797.36	
	00181	Water Utility-Capital Outlay		1,391.89	
	00210	Library Fund		2,621.80	
	00270	Employee Benefits		13,814.01	
	00310	Worker's Comp Insurance		8,042.35	
	00320	Street Fund		16,890.03	
	00325	Measure K Funds		174,491.72	
	00327	IMF(Local) Streets Facilities		7,270.48	
	01211	Capital Outlay/General Fund		3,901.39	
	01212	Parks & Rec Capital		6,730.00	
	01250	Dial-a-Ride/Transportation		83,290.48	
	01410	Expendable Trust		1,441.40	
Sum				2,096,267.34	
	00183	Water PCE-TCE		164,322.58	
Sum				164,322.58	
Total for Week					
Sum				2,260,589.92	

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		Council Report	Date	- 06/23/04
As of	Fund	Name	Amount	
Thursday				
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06/10/04	00100	General Fund	488,172.67	
	00103	Repair & Demolition Fund	335.00	
	00122	Equipment Replacement Fund	7,298.99	
	00160	Electric Utility Fund	45,963.34	
	00161	Utility Outlay Reserve Fund	519.27	
	00164	Public Benefits Fund	16,610.85	
	00170	Waste Water Utility Fund	17,688.24	
	00172	Waste Water Capital Reserve	33,805.77	
	00180	Water Utility Fund	25,179.48	
	00181	Water Utility-Capital Outlay	2,871.91	
	00210	Library Fund	3,081.10	
	00234	Local Law Enforce Block Grant	182.23	
	00270	Employee Benefits	3,735.59	
	00300	General Liabilities	2,573.11	
	00320	Street Fund	2,447.40	
	00325	Measure K Funds	150.00	
	00326	IMF Storm Facilities	480.00	
	00332	IMF(Regional) Streets	10,428.83	
	01211	Capital Outlay/General Fund	4,853.84	
	01212	Parks & Rec Capital	6,317.27	
	01250	Dial-a-Ride/Transportation	2,068.81	
	01410	Expendable Trust	9,511.74	

Sum			684,275.44	
	00183	Water PCE-TCE	548.12	

Sum			548.12	

Total for Week				
Sum			684,823.56	

Accounts Payable
Council Report

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Date - 06/23/04
Amount

As of Thursday	Fund	Name	Amount
06/17/04	00100	General Fund	390,153.65
	00123	Info Systems Replacement Fund	165.40
	00160	Electric Utility Fund	24,335.00
	00161	Utility Outlay Reserve Fund	400.82
	00164	Public Benefits Fund	31,140.09
	00170	Waste Water Utility Fund	12,210.11
	00172	Waste Water Capital Reserve	422.16
	00180	Water Utility Fund	4,855.39
	00181	Water Utility-Capital Outlay	522.76
	00210	Library Fund	12,703.62
	00234	Local Law Enforce Block Grant	237.74
	00235	LPD-Public Safety Prog AB 1913	2,017.55
	00270	Employee Benefits	19,183.96
	00325	Measure K Funds	1,032.50
	00326	IMF Storm Facilities	5,425.00
	00450	Home Funds	65,363.00
	01211	Capital Outlay/General Fund	7,100.77
	01250	Dial-a-Ride/Transportation	4,438.09
	01410	Expendable Trust	24,571.50
Sum			606,279.11
Total for Week			
Sum			606,279.11

Council Report for Payroll

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Date -

06/23/04

Payroll	Pay Per Date	Co	Name	Gross Pay
-				
Regular	06/06/04	00100	General Fund	826,301.18
		00160	Electric Utility Fund	164,448.36
		00161	Utility Outlay Reserve Fund	2,845.70
		00164	Public Benefits Fund	4,878.40
		00170	Waste Water Utility Fund	63,472.88
		00172	Waste Water Capital Reserve	2,659.74
		00180	Water Utility Fund	8,648.93
		00210	Library Fund	31,962.34
		00235	LPD-Public Safety Prog AB 1913	2,577.15
		01250	Dial-a-Ride/Transportation	2,785.67
Pay Period Total:				
Sum				1,110,580.35



CITY OF LODI COUNCIL COMMUNICATION

TM

AGENDA TITLE: Approve Minutes
a) May 19, 2004 (Regular Meeting)
b) June 2, 2004 (Regular Meeting)
c) June 8, 2004 (Shirtsleeve Session)
d) June 8, 2004 (Special Meeting)
e) June 11, 2004 (Adjourned Special Meeting)

MEETING DATE: July 7, 2004

PREPARED BY: City Clerk

RECOMMENDED ACTION: That the City Council approve the following minutes as prepared:
a) May 19, 2004 (Regular Meeting)
b) June 2, 2004 (Regular Meeting)
c) June 8, 2004 (Shirtsleeve Session)
d) June 8, 2004 (Special Meeting)
e) June 11, 2004 (Adjourned Special Meeting)

BACKGROUND INFORMATION: Attached are copies of the subject minutes, marked Exhibits A through E.

FUNDING: None required.

Susan J. Blackston
City Clerk

SJB/JMP

Attachments

APPROVED: _____
H. Dixon Flynn, City Manager

**LODI CITY COUNCIL
REGULAR CITY COUNCIL MEETING
CARNEGIE FORUM, 305 WEST PINE STREET
WEDNESDAY, MAY 19, 2004**

- C-1 CALL TO ORDER / ROLL CALL – N/A
- C-2 ANNOUNCEMENT OF CLOSED SESSION – N/A
- C-3 ADJOURN TO CLOSED SESSION – N/A
- C-4 RETURN TO OPEN SESSION / DISCLOSURE OF ACTION – N/A

A. CALL TO ORDER / ROLL CALL

The Regular City Council meeting of May 19, 2004, was called to order by Mayor Hansen at 7:04 p.m.

Present: Council Members – Beckman, Hitchcock, Howard, Land, and Mayor Hansen

Absent: Council Members – None

Also Present: City Manager Flynn, Interim City Attorney Schwabauer, and City Clerk Blackston

B. INVOCATION

The invocation was given by Pastor Bill Sherrill, Lodi Police Chaplains.

C. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mayor Hansen.

D. AWARDS / PROCLAMATIONS / PRESENTATIONS

D-1 Awards – None

D-2 Proclamations – None

D-3 (a) "Presentation regarding Lodi Area All Veterans' Foundation events" was ***pulled from the agenda pursuant to the request of the Lodi Area All Veterans' Foundation.***

E. CONSENT CALENDAR

In accordance with the report and recommendation of the City Manager, Council, on motion of Council Member Land, Beckman second, unanimously approved the following items hereinafter set forth **except those otherwise noted**:

- E-1 Claims were approved in the amount of \$2,193,806.22.
- E-2 The minutes of April 20, 2004 (Shirtsleeve Session), April 20, 2004 (Special Meeting), April 26, 2004 (Special Meeting), April 27, 2004 (Shirtsleeve Session), May 3, 2004 (Special Meeting), May 4, 2004 (Shirtsleeve Session), May 7, 2004 (Special Meeting), May 8, 2004 (Special Meeting), and May 13, 2004 (Special Meeting) were approved as written.
- E-3 Approved the specifications and authorized advertisement for bids for purchase and installation of Fire Department radio base station emergency alerting systems.
- E-4 Adopted Resolution No. 2004-94 approving the specifications and authorizing advertisement for bids for metering circuit analyzer and authorizing the City Manager to accept or reject the bids, award the contract, and appropriate funds in the amount of \$14,000.
- E-5 Adopted Resolution No. 2004-95 approving the specifications and authorizing advertisement for bids for a public education trailer, storage cover, and public education equipment and supplies, and further authorizing the City Manager to accept or reject bids, award the contract, and appropriate funds in the amount of \$15,000 (City's portion of cost).

- E-6 Authorized advertisement for transportation services for the Oooh Ahhh Festival and authorized use of buses should no alternate provider be willing to perform the service.
- E-7 Adopted Resolution No. 2004-96 rejecting the sole bid, authorizing advertisement for bids for the Cochran Road Street Improvements from Peach Street to Willow Avenue, and further authorizing the City Manager to award or reject the contract up to \$40,000.
- E-8 Adopted Resolution No. 2004-97 awarding the purchase of #1/0 medium-voltage concentric-neutral EPR-insulated underground conductor to the low bidder, The Okonite Company, of San Ramon, CA, in the amount of \$52,452.70.
- E-9 Adopted Resolution No. 2004-98 awarding the contract for concession operations at Lodi Lake Park and other locations (determined quarterly) for recreational events to Java J'z, Inc., of Woodbridge.
- E-10 Adopted Resolution No. 2004-99 approving the final map, Improvement Agreement, and Water Rights Agreement for Almond North, Tract No. 3396, directed the City Manager and City Clerk to execute the improvement agreement, water rights agreement, and map on behalf of the City, and appropriated funds in the amount of \$1,120 for the required reimbursements.
- E-11 Adopted Resolution No. 2004-100 authorizing the City Manager to file the claim for the 2003-04 Transportation Development Act funds in the amount of \$2,013,810 from the Local Transportation Fund and \$5,609 from State Transit Assistance.
- E-12 Authorized the City Manager to execute the Inter-County Hazardous Materials Response Team agreement.
- E-13 "Adopt resolution authorizing the City Manager to allocate designated funds to create the Lodi Customer Assistance & Relief Energy Package Program and authorizing the City Manager to execute a contract with the Salvation Army to administer this program (\$105,000)" was **removed from the Consent Calendar and moved to the Regular Calendar**.
- E-14 Adopted Resolution No. 2004-101 authorizing the City Manager to approve Contract Change Order with MV Public Transportation, Inc., in the amount of \$10,270 to complete the Short-Range Transit Plan for the City of Lodi.

F. COMMENTS BY THE PUBLIC ON NON-AGENDA ITEMS

- Curtis Juran, speaking on behalf of the Lodi Mid-Managers Association, stated that members are not just concerned about wages and benefits, they are concerned about the way the City and respective departments function. Members of the Lodi Mid-Managers Association are responsible for making their divisions work and are aware of how the budget crisis is affecting core functions and employee morale. He encouraged Council to maintain the current Electric Utility in-lieu of tax transfers and discard the idea of paying back the loan funds. The in-lieu of tax transfers to the General Fund allow the City to fund public safety and other core services as needed to maintain the quality of life for Lodi citizens. He asked Council to reevaluate the amount of funding provided for community promotions and all extraneous expenditures. He felt that during a time of budget deficits these expenditures should be temporarily reduced or eliminated. He warned that services will be affected if staffing cuts are made.
- Pat Patrick reported that at its regular quarterly meeting this afternoon, the Lodi Chamber of Commerce Board expressed concerns related to an article that appeared in the newspaper today. The article stated that the Small City Preservation Committee would be asking Council tonight to rewrite its initiative. On behalf of the Chamber Board, he urged Council not to do so.

Reading from the article, he stated that initiative proponent Ms. Fiske said that, "it was not the group's intent to restrict such businesses (car dealerships) particularly since they provide a large amount of sales tax revenue to the City." Mr. Patrick noted that there are many other businesses that provide sales tax revenue to the City that should be considered. The Chamber believes it is unfair to put an initiative restriction on certain types of businesses. The Chamber is not in favor of any size limitations whatsoever on large retail stores in Lodi.

- Steve Dutra, Parks Superintendent, invited Council and citizens to the May 21 dedication ceremony at Lodi Lake to celebrate the completion of the Phase 2 Trail Project and the 70th anniversary of Lodi Lake Park.
- Betsy Fiske stated that the intention of the Small City Preservation Committee had never been to include car dealerships in the definition of large-scale retail stores or structures. She noted that the Council had received a letter from the Committee's attorney stating its intent, along with a press release provided to local newspapers yesterday (filed). She explained that the Committee supports locally-owned businesses, rather than corporations from outside the city or state. She displayed a stack of petition sections and announced that over 2,825 signatures had been gathered in only three weeks. She anticipated that an additional 1,000 signatures could be obtained by the weekend. She distributed a list outlining four choices for Council to consider and a petition section (both filed) with the words "For the purposes of this subsection, the term 'gross floor area' shall include outside retail areas" highlighted, which the Committee suggested (in choice 3) that Council exclude. She asked Council to consider the four choices at the next regularly scheduled City Council meeting.

Mayor Pro Tempore Beckman questioned why the initiative stipulates that an election must be held to approve all new businesses over 125,000 square feet. He pointed out that the Committee has stated it is opposed to large-scale retail; however, the requirement to hold elections prior to approving businesses of this size is contradictory and makes it appear that some businesses may be okay and some are not.

Ms. Fiske replied that the Committee's intent is to allow the voters of Lodi to decide on all businesses over 125,000 square feet.

In response to Mayor Hansen, Ms. Fiske explained that the language pertaining to outside retail areas was meant to address stores that bring out merchandise to sell in their parking lots. She reported that someone vetted the signatures on the petition and verified that they were registered voters in the City of Lodi.

Council Member Howard asked whether circulators of the petition fully informed the signers that it was not the proponents' intent to include auto dealerships and that the size was increased from 100,000 square feet to 125,000 square feet.

Ms. Fiske could not speak for all the circulators; however, she told signers that the purpose of the initiative was to limit retail establishments to 125,000 square feet and to exceed that size would require a public vote.

Discussion ensued regarding previously agendized items related to this topic that were considered on March 17 and April 7. Interim City Attorney Schwabauer determined that Council's rules on reconsideration would not apply in this instance, because what was being requested tonight was different from Item I-5 on the April 7 agenda, i.e. "placing a ballot measure establishing 'Big-Box' size limits on the November 2, 2004 ballot."

Mayor Hansen asked that Ms. Fiske's request be placed on the June 2 City Council agenda.

- Joanne Mounce thanked everyone who participated last Sunday in the Celebration on Central event.
- Ann Cerney thanked Mayor Hansen for allowing the Large-Scale Retail Initiative matter to be placed on the June 2 agenda.

- Robert Fenton expressed his opinion that the Large-Scale Retail Initiative is about “a big-box.” He recalled that Committee members tried to get the matter resolved at the Planning Commission level prior to going to Council. He urged Council to amend the language of the initiative to exclude the words “outside retail areas” and place the measure on the ballot.

G. PUBLIC HEARINGS

None.

H. COMMUNICATIONS

H-1 Claims filed against the City of Lodi – None

H-2 Reports: Boards/Commissions/Task Forces/Committees – None

H-3 Appointments – None

H-4 Miscellaneous – None

RECESS

At 7:50 p.m., Mayor Hansen called for a recess, and the City Council meeting reconvened at 7:52 p.m.

I. REGULAR CALENDAR

- I-1 “Recommendations from the City Manager and the City Manager’s Budget Advisory Committee regarding the 2004-05 Financial Plan and Budget”

On behalf of the Budget Advisory Committee, Randy Snider reported that the Committee met on five occasions. Members included himself, Annette Mordaca, Kent Steinwert, Dennis Bennett, Joanne Mounce, Debbie Olsen, Bob Wheeler, Leon Zimmerman, and Bill Huyett. The Committee reviewed the budget process, the citywide survey results, City Manager Flynn’s Phase 1 to 3 budget adjustment recommendations, and surveyed 20 other cities regarding a two-tier California Public Employees Retirement System (CalPERS) benefit program. Mr. Snider reported that the Budget Advisory Committee made the following suggestions:

- Explore a two-tier CalPERS retirement plan for new employees;
- Place a cap on medical insurance premiums or negotiate with the local health community regarding soaring medical costs;
- Consider placing a Transient Occupancy Tax increase measure on the ballot;
- The only sales tax revenue enhancement that would likely be passed by the voters is one that supports public safety; the Committee did *not* believe a tax increase to pay for the Environmental Abatement Program (PCE/TCE) or a general tax would be well received by the voters;
- Electric Utility transfers to the General Fund should continue; and
- The Committee supports the City Manager’s recommendations for Phase 1, 2, and 3 adjustments, or in the alternative, a rollback to fiscal year 2002-03 budget figures.

Debbie Olson, League of California Cities Regional Representative, reported that the Governor presented his revised budget last Thursday. She stated that the Governor is in support of constitutional protection of local government funding; however, he did not support the League’s measure. He has recommended two years of cuts amounting to \$1.3 billion, of which \$350 million would come from cities. Ms. Olson said that for Lodi this would amount to a cut of \$704,000 for the first year, \$704,000 for the second year, and in the third year the City would receive back payment for guaranteed unpaid mandates, i.e. for the Vehicle License Fee (VLF) backfill loan that was borrowed of \$1.1 million. All except one of the Central Valley legislators are in support of the Governor’s proposition for local government, and League cities have voted unanimously to accept it.

Council Member Land asked how this promise from the state to pay cities back is any different from the promise it made in 1993 related to the Educational Revenue Augmentation Fund (ERAF).

Ms. Olson replied that it would be a required mandate repayment for back years and beginning in 2006-07 the current year mandates would be paid. She stated that if the state does not provide funding for a mandate, the mandate sunsets. Cities would not be required to fulfill the obligation for the mandate if there is no funding source. She believed that this was a better constitutional protection than the League's proposed measure. The League's measure allowed for a vote of the people to allow the state to borrow money from local governments. The Governor's constitutional protection of local government funding is from "now into the future" for revenue sources, e.g. VLF, property tax, sales tax, and redevelopment funds. The Governor has committed to chair the initiative that would give cities this constitutional protection and require repayment. Ms. Olson said the Governor would make it "his initiative" if local governments agreed to two more years of contributions. Ms. Olson reported that the Governor removed the property tax, sales tax swap. The VLF is 2% and is constitutionally dedicated to local government. Ratepayers pay .65% and the state backfills the rest. She stated that the Governor wants to keep the effective rate at .65%, but continue to give local governments the 2% funding they need. Instead of getting backfill from the General Fund, cities would get an equivalent amount of property tax. Cities would get ERAF property tax funding in lieu of VLF backfill.

RECESS

At 8:25 p.m., Mayor Hansen called for a recess, and the City Council meeting reconvened at 8:37 p.m.

I. REGULAR CALENDAR (Continued)

I-1 Deputy City Manager Keeter reviewed the following information from the budget calendar:
(Cont'd.)

- December 17 – presented Phase 1 budget adjustment recommendations;
- January 21 – presented Phase 2 budget adjustment recommendations;
- February – began meeting with the City Manager's Budget Advisory Committee and made presentations regarding the City's budget to service clubs;
- February 4 – continued discussions regarding Phase 2 budget adjustment recommendations;
- April 21 – presented results of the public survey;
- April 27 – presented interfund transfers;
- May 13 – Governor's May budget revision was made;
- June 2 – will review fund balances and a draft budget document; and
- June 30 – Special City Council meeting for final budget adoption.

City Manager Flynn distributed a five-page "blue sheet" to Council with spreadsheets entitled: 1) General Fund Budget Challenge 2004-05, 2) Budget Adjustments 2004-05, 3) Budget Adjustments 2004-05 Revenue Adjustments, and 4) Revenue Adjustments General Fund 2003-04. Mr. Flynn stated that he met with four Council Members regarding the budget and incorporated their comments into the adjustment recommendations being presented tonight. He asked for Council direction on what budget adjustments it would suggest be included in the June 2 presentation. He reviewed the spreadsheets and presented the following information:

- State takeaway of \$705,000 next year, again in second year, and in the third year the City would get back approximately \$1.1 million. Lodi has given up \$550,000 this year in the VLF gap. Taking into consideration each of these items, the net loss to the City is \$800,000;

- Net income adjustments total \$858,207;
- Net adjustment to fees total \$396,000;
- It is anticipated that interest earnings will be down \$444,000 partly in effect to lower interest rates than what were estimated and cash balances in the General Fund;
- When the budget was prepared a year ago the Fire Department anticipated that it would have first responder fees in effect July 1; however, that date has been revised to January 1, 2005;
- It is recommended that recruitment of a high crimes investigator be deferred and consequently \$69,000 was backed out of the budget;
- The Lowe's store project is anticipated to open in the next fiscal year, which will add an additional million dollars a year for sales, property, and business license tax to the City. Mr. Flynn stated that sales tax is coming in higher this year than what was estimated by 1% to 2%, so \$400,000 additional revenue has been estimated. When the budget was prepared a year ago it was anticipated that the City would have a soccer complex, which could be rented; however, the project was discontinued so the estimated revenues of \$148,600 had to be backed out of the budget;
- The \$350,000 transfer from Electric Utility to General Fund Capital has been eliminated;
- Electric Utility loan – staff went back to 1995-96 when the first transfer was made and calculated interest at 5.706% for 8 years, which came to \$546,600. This amount will be returned from General Fund Capital to the Electric Fund; and
- The franchise rate was reduced from 12% to 9% in Water and Sewer. If Electric Utility was decreased to 9% it would amount to an additional loss to the General Fund of \$1.5 million.

Mayor Pro Tempore Beckman recalled that the percentage reduction in Water and Wastewater was done following a rate increase in an effort to make it revenue neutral. He was not in favor of reducing the Electric Utility in-lieu of tax transfer merely for having all the percentages the same.

- Budget increases: City Clerk has requested an additional \$62,400 for the November 2004 election; City Attorney's Office budget increased \$250,000 for the audit of Envision Law Group and \$1.3 million is needed for the Environmental Abatement Program (EAP) PCE/TCE litigation. Monthly costs for EAP litigation have been \$200,000 to \$300,000. \$800,000 was programmed in the Water Fund for EAP related costs.

Council Member Hitchcock had understood that the amount designated for EAP related costs in the recent Water and Wastewater rate structure increase was going to pay for any costs not reimbursed by the City's insurers.

City Manager Flynn recommended a shift in the field services Electric Utility meter readers from the Finance Department to the Electric Utility Department. He stated that it would not require a physical relocation of staff. There would be no cost to Electric Utility and no savings to the General Fund. The only change effected by this shift is in supervision. Continuing his report on budget increases, Mr. Flynn presented the following:

- Fire Department – Council approved a \$48,000 performance bonus and an additional \$41,000 cost for City of Stockton dispatching fees;
- Animal Shelter – part time staff cost is \$19,200;
- Water/Wastewater Utilities – Council approved \$42,700 for an additional maintenance worker position;
- Transportation – traffic monitoring equipment is needed at a cost of \$17,500;
- Human Resources – The Public Employees Retirement System was underestimated by \$190,000 in year two of the budget, which needs to be added back in. The Risk

Manager is recommending an additional \$100,000 be placed in the General Liability account;

- A year ago when the budget was prepared \$200,000 was included in the first year and \$400,000 in the second year as anticipated savings from the golden handshake retirement program. In the fall of last year the Council showed no interest in pursuing the concept, so \$400,000 will need to be backed out of the budget; and
- Rental for the Finance Department building is \$108,000 annually.

Mr. Flynn reported that overall the "challenge" (deficit) amounts to \$5,088,707, which includes a \$3,780,407 deficit in the General Fund, \$1,107,100 in the General Fund Capital, \$141,000 in the Library, \$42,700 in Water, \$17,500 in Other (for traffic signals), and an increase of \$895,600 in Electric Utility.

In reply to Mayor Hansen, Mr. Flynn recalled that Council had directed staff to treat the \$350,000 transfer from Electric Utility as a loan. He recommended that \$350,000 be paid back annually to Electric Utility for the next eight years. One year's payment of \$350,000 plus interest at the 1995-96 rate amounts to \$545,600. Because \$350,000 had been programmed in the budget, that amount also needs to be backed out.

Mayor Pro Tempore Beckman questioned whether it was a good idea to begin paying back the loan the same year that the transfers are discontinued.

Council Member Hitchcock asked Interim City Attorney Schwabauer if it was legal to take money out of a rate paying account (not as part of the in-lieu of tax transfer), use it for other purposes, and not repay it. Mr. Schwabauer was uncertain and indicated that he would research the matter and report back to Council.

Mayor Hansen asked whether the repayment could be deferred until 2006-07, when it is anticipated that there would be more financial stability, to which Mr. Schwabauer answered in the affirmative.

In response to Council Member Land, Risk Manager Kirk Evans reported that Lodi's premium this year with the California Joint Powers Risk Management Authority was \$248,000 and a rebate check was received by the City for \$175,000 for 2003-04. He explained that the \$100,000 increase in general liability was not just to pay for insurance. The City must pay for all losses below \$500,000, which is the vast majority of claims.

Council Member Hitchcock asked whether in the current two-year budget, staff was following the actuary's recommendation and the City still had more losses than had been projected, to which Mr. Evans answered in the affirmative. In addition, he explained that the rebate check is deposited back into the liability account and it had been factored into the request for 2004-05.

Mayor Hansen felt that because some of the cost for the EAP has already been passed onto the ratepayers in the recent increase, if more money is needed, the City should budget for it and make adjustments if settlements from insurance companies are received.

Interim City Attorney Schwabauer pointed out that the \$800,000 annual figure that was factored into the water and sewer rate increases for EAP expenses was only a guess, as there was not yet a track record on which to base it. Over time staff will be able to better refine the budget estimate.

Council Member Hitchcock suggested that two years from now would be a better time to begin paying back the \$350,000 a year (for eight years) Electric Utility loan. She felt that a debt structure should be considered for paying the City's liability to Lehman Brothers and its share of the groundwater contamination cleanup cost, rather than taking \$1,351,000 out of the General Fund each year for litigation costs.

Mayor Hansen asked whether the City has enough cash for the next six months to pay its legal bills.

Mr. Flynn replied that there is money in Electric Utility and in the Capital accounts; however, it would mean loaning money to the program. He asked Council for direction on whether or not to include the \$1,351,000 in the budget for EAP litigation costs, and the \$895,600 repayment to Electric Utility.

Mayor Hansen preferred that Electric Utility repayment be deferred, but that the \$350,000 transfers be discontinued.

Council Member Hitchcock felt that the \$545,600 Electric Utility repayment should be deferred and that the \$1,351,000 *not* be budgeted for the EAP litigation costs. She suggested that short-term borrowing be considered instead.

Mayor Pro Tempore Beckman and Council Members Land and Howard agreed with the City Manager's recommendation to budget \$250,000 for the audit of Envision Law Group and \$1,351,000 for EAP litigation costs.

Mr. Flynn suggested that the EAP litigation costs and cost for the audit of Envision Law Group be charged to the Water Fund and borrow the cash from other funds until a track record is developed. Money may be transferred from Capital, Electric Utility, and Wastewater accounts, but this would keep it in the Water Fund and it would not directly impact the General Fund.

Mayor Hansen, Mayor Pro Tempore Beckman, and Council Member Hitchcock agreed with the City Manager's suggestion, noting that it should be treated as a loan and paid back with interest.

PUBLIC COMMENTS:

- Ann Cerney questioned the legality of borrowing money from the Water and Electric Funds and whether Proposition 218 would apply.

Mr. Schwabauer replied that state law provides authority for interfund borrowing and requires a plan for repayment with interest.

In reply to Council Member Hitchcock, Mr. Flynn reported that expenditures appear to be under budget according to figures through March. Ms. Hitchcock stated that she would like to review a report on expenditures and Other Sources and Uses.

City Manager Flynn reviewed the report entitled Budget Adjustments 2004-05, focusing on Phase 3 adjustments, and provided the following information:

- Community Center – reduce arts grants from \$75,000 to \$50,000;
- City Manager – reduce salary by 10% for a savings of \$12,800;
- Transfer Parking Appeals Clerk from the City Manager's Office to the Police Department;
- Communications reduction of \$3,500 (employees in the City Manager's Office will pay for their cell phones personally);
- Travel account reduction in City Manager's Office of \$8,000;
- Supplies and materials reduction in City Manager's Office of \$14,900;
- Citywide postage reduction of \$40,000 (by eliminating inserts in utility bills);
- Combine budget accounts of Economic Development Coordinator and City Manager into one account and eliminate the Economic Development Coordinator position (which would save \$115,800);

- Reduce the Economic Development budget by \$4,000 in supplies and materials and \$3,000 in special payments (i.e. San Joaquin Partnership payment will be reduced from \$30,000 to \$27,000);
- Information Systems – reduction of \$24,000 in supplies and materials;
- Police Department – defer the High Crimes Investigator for one year, which would save \$69,000; and defer the reclassification of Management Analyst for one year, which would save \$5,200;
- Fire Department – defer Firefighter position for one year for a savings of \$81,000; defer Paramedic Program, which would save \$506,800; and defer the vehicles operations course for \$12,600;
- Shift Field Services (meter readers) from the Finance Department to Electric Utility;
- Human Resources – reduction of transfer to Workers Compensation of \$230,500 and decrease the Medical Insurance account by \$352,700 due to being over budgeted;
- Library – cut Sunday hours pursuant to public survey results for a savings of \$17,000;
- Water/Wastewater Utilities – eliminate the Storm Water Analyst position for a savings of \$66,000; and eliminate the organization evaluation for a savings of \$25,000;
- Electric Utility – defer \$10,000 Professional Services increase; defer \$2,000 automated meter reading; defer \$7,000 expense for four computers; and decrease \$45,000 in the equipment account, due to being “over programmed”; Mr. Flynn noted that he was advised by the Finance Department that there was an additional \$100,000 in Electric Utility for marketing, which will be included in the June 2 report;
- Parks and Recreation – defer part-time CAD operator for a savings of \$11,500; and defer basketball floor refurbishing for a savings of \$5,000;
- Public Works – transfer \$1,116,000 from General Fund Capital (unrestricted capital approved by Council in Phase 2); defer reclassification of four engineering positions for one year, which would save \$26,400;
- Facilities Service – reduction of maintenance for the Police Department from \$128,500 to \$120,000; reduce janitorial services by \$57,500, due to decrease from services being provided five days a week to three days a week.

Council Member Land recommended that all service contracts be reviewed and renegotiated at a lesser percentage amount if possible.

Mayor Hansen was in favor of cutting the Sunday hours for the library. He preferred that funds not be decreased for the automated meter reading program, due to the long-term savings it provides.

In response to Council Member Hitchcock, Fire Chief Pretz reported that when Fire Station 4 was opened in 2002, two companies were split. It was agreed to hire a total of ten additional Firefighters to staff Station 4, and from this nine have been hired and one more is needed in 2004-05.

Council Member Hitchcock was opposed to deferring the Firefighter position.

In reply to Council Member Hitchcock, Library Services Director Martinez reported that the Library has between 250 to 350 patrons each Sunday during the four-hour period it is open. Ms. Martinez stated that she would like to continue operating the Library on Sundays.

Council Member Hitchcock preferred that the Library continue to provide services to the public on Sundays.

In response to Mayor Hansen, Deputy City Manager Keeter stated that she and Community Development Director Bartlam are working together on economic development issues; however, no recruitment or marketing efforts are being made due to lack of time and funding.

- Mike Locke of the San Joaquin Partnership explained that its role is outreach and marketing (mainly for industrial and office) for all of the cities in the county. He mentioned that Ms. Keeter attends the Partnership's monthly meetings and provides a conduit for information.
- Pat Patrick of the Chamber of Commerce stated that it is concerned about the economic development of Lodi. The Chamber has formed a task force with a goal of developing an economic plan for Lodi to bring in jobs and reach out to the types of businesses that will fit in the community.

In answer to Council Member Hitchcock, Public Works Director Prima explained that the General Fund Capital program advanced a number of projects that were partially funded by impact fees. As those projects were completed or design work done, impact fees that were programmed for those projects were transferred back into the General Fund Capital, which then becomes unrestricted General Fund capital money.

In reference to the \$1,116,000 transfer from General Fund Capital, Mr. Flynn stated that it would be put into the operating budget to address part of the City's deficit.

Mr. Flynn reviewed the following options:

- Increase hiring freeze to 28 positions (currently programmed at 20) for a savings of \$520,000 annually;
- Extend the Voluntary Time Off program;
- Defer Administrative Leave pay out. Administrative Leave would continue to be provided and any unused leave would be extended from 2005 to 2006. For employees who wish to cash in one week of Administrative Leave they would be allowed to do so in 2006. This would save the City \$150,000 in 2004-05;
- Review community promotions programs;
- All City employees (including public safety) take a 1% to 2% pay cut. A 2% pay cut would result in a savings of \$520,000;
- Explore a medical insurance cap;
- Explore a two-tier retirement plan;
- Mandatory furlough of all non-public safety employees for 26 days a year would save \$1,100,000; 12 furlough days would save \$500,000; and
- Defer pay raises for all non-public safety personnel for one year, at a savings of \$406,000.

Mr. Flynn reported that the City currently has 47 vacancies. Twelve are in Electric Utility and six are in Water/Wastewater. Removing these 18 from 47 leaves 29 vacancies in the General Fund. Of the 29 vacancies, four are in the Police Department that are currently being recruited and one is in the Fire Department and is being recruited. This then brings the number of vacancies down to 24 positions. Mr. Flynn noted that there is no restriction on recruitment for Electric Utility, Water, or Wastewater.

- Judy Steinke, Business Agent for American Federation of State, County, and Municipal Employees, representing the General Service workers and Maintenance & Operators unit, noted that other agencies are considering instituting 911 fees, one-time refinancing of loans, and selling land to increase revenues. Ms. Steinke cautioned Council about the recommendation to reduce funds for medical insurance and Workers Compensation, due to uncertainties in these areas. She felt that the options presented by the City Manager almost entirely balance the budget on the backs of the employees that she represents. She believed it would be unfair to continue to increase the hiring freeze to 28 positions and take across the board pay cuts. She urged Council to think about the employees that provide services for the City and who carry out the directives on which Council votes. She also cautioned Council about relying on any "guarantees" that the state makes regarding back payment for unpaid mandates.

In response to Council inquiries, Ms. Steinke stated that increasing the hiring freeze to 28 positions would be more palatable than across the board pay cuts.

Council Member Hitchcock suggested that the City Manager form a committee to develop a list of services that the City will not be able to provide any longer, due to the 56 positions that will be vacant. She voiced dissatisfaction that the Council continues to get the budget in a piecemeal fashion and preferred to review all revenues and expenditures, with recommendations included.

Mr. Flynn explained that he hoped to get enough guidance from Council this evening to be able to present the entire draft budget to Council on June 2.

- Mike Locke reviewed the purpose, goals, and status of the San Joaquin Partnership. He encouraged Council to remain an active participant with the Partnership at a level it feels is responsible. He emphasized the importance of a public/private partnership. Mr. Locke was understanding of the 10% reduction in funding to the Partnership under the current circumstances.
- Peter Westbrook of the Downtown Lodi Business Partnership (DLBP) pointed out that investments in community promotions provide a return through increased tax revenues for the City. He announced that the Farmers' Market will begin on June 3 and displayed an example of the new banners that are being purchased to advertise it. In answer to Mayor Pro Tempore Beckman, he agreed to a 5% cut in the City's contribution to the DLBP.
- Nancy Beckman, Executive Director of the Lodi Conference and Visitors Bureau (LCVB), stated that the LCVB wants to be part of the solution and is prepared to take a cut to its budget in order to assist the City. She asked that Council keep in mind, however, that the LCVB has a matching grant by the Winegrape Commission and whatever cut it gets from the City, it will also have a matching cut from the Winegrape Commission. She updated Council on the LCVB's recent accomplishments.

Council Member Hitchcock stated that she was in favor of cutting expenditures, not investments.

At the request of Council Member Hitchcock, Ms. Beckman explained that there is potential for forming a Business Improvement District (BID) to help fund the tourism efforts in the community. Meetings have taken place with hotels to discuss the concept, and responses thus far have been neutral to very supportive.

Council Member Howard preferred that an opportunity be provided for the BID to form, rather than increasing the Transient Occupancy Tax. She supported the recommended 5% funding reduction for community promotions, the \$25,000 decrease in Arts grants, and 10% funding reduction to San Joaquin Partnership.

City Manager Flynn distributed a list of cash donations made to various community promotions from 1994 to present (filed).

- David Towne, Water/Wastewater Maintenance Worker, reported that, on average, the salaries of the employees in his department are 16% under the mean. He asked whether the work furlough would have an impact on retirement. He noted that the City already has a two-tier retirement system and asked that Council consider the fact that not all contracts have been fulfilled at this time.
- Pat Patrick offered that Council reduce funding to the Chamber of Commerce by 25% in 2004-05, 50% in 2005-06, with no funding beyond that. He suggested that if funding to the LCVB is reduced, that more of the Chamber's share be given to the LCVB to make up for it.

- Sherry Towne stated that the Public Works Maintenance & Operators employees are working without a contract now. She noted the difficulty in their jobs and commented that she has known them to work at 3:00 a.m. in the winter repairing water main breaks.
- Ann Cerney stated that she was a member of the DLBP and concurred with Mr. Westbrook's offer to give up a percentage of funding. She urged Council not to think only in terms of dollars, but in the long-term value of the services that the Library and Arts Commission provide.
- John Flores, employee of the Water/Wastewater Division of Public Works, pointed out that the City has grown over the years, as has public safety. In his 17 years of employment, there have only been 12 employees in his division. Whether in good financial times or bad, his division has not been considered and they continue to do the same work and are getting paid less.
- Charlie Swimley, Senior Civil Engineer and Lodi citizen, urged Council to consider the work of the Maintenance & Operators unit. Their work is largely not seen as it is done underground and at night. They are relied on by the Engineering Division to perform video taping of pipelines and to locate utilities when needed for design purposes.

Council Member Land made the following recommendations and comments:

- Increase hiring freeze to 28 positions;
- Extend Voluntary Time Off program for one year;
- Defer Administrative Leave pay out;
- Opposed to any reduction in funding to the DLBP;
- Reduce LCVB funding by 5%;
- Reduce Chamber of Commerce funding by 25%;
- Reduce Lodi-Tokay Rotary (Oooh Ahhh festival) funding by 10%;
- Reduce Lodi-Tokay Rotary (Kids' Night Out) funding by 10%;
- Reduce San Joaquin Partnership funding by 10%;
- Renegotiate contracts for Viacom Outdoor Signs and inquire whether Mondavi winery would share the sign cost;
- Would support across the board pay cuts if necessary;
- Opposed to a medical insurance cap;
- Opposed to a two-tier retirement plan (perhaps look at during next negotiation period);
- Would support a 12-day mandatory furlough; and
- Suggested that the City's inventory of property be reviewed for any that could be sold or for property in which funds are expended for maintenance/cleanup, that it be considered for gifting to someone; and that a report and recommendation by staff be provided to Council on this subject.

Council Member Hitchcock made the following recommendations and comments:

- Extend Voluntary Time Off program;
- Expressed concern with increasing the hiring freeze to 28 positions, unless discussion and decisions are made about reducing services;
- Favored a 1% to 2% pay cut across the board, over a mandatory furlough of non-safety employees because it would be fairer;
- Defer Administrative Leave pay out;
- Explore medical insurance cap; and
- Consider employee contribution to the retirement plan, rather than a two-tier program.

Council Member Howard made the following recommendations and comments:

- Increase hiring freeze to 28 positions;
- Extend Voluntary Time Off program for one year;
- Defer Administrative Leave pay out;
- Review community promotions programs;
- Opposed to 1% to 2% pay cut across the board;
- Opposed to mandatory furlough days; and
- Explore medical insurance cap and two-tier retirement plan for long-term outlook, but not as a hasty response.

Mayor Hansen agreed with Ms. Howard's recommendations. He asked the City Manager to factor in what has been suggested and advise Council of any remaining deficit. He emphasized opposition to mandatory furlough days and stated that if it was absolutely necessary he might support a 2% pay cut across the board. He did not wish Lodi to be one of the only cities in California with a two-tier retirement system because it would impact recruitment of good employees. A medical insurance cap should be considered in future negotiations.

Mr. Flynn reviewed the report entitled "Budget Adjustments 2004-05 Revenue Adjustments" and presented the following information:

- Increase in sales tax of ¼ cent would generate \$1,950,000;
- Transient Occupancy Tax increase from 6% to 10% would generate \$266,000;
- If the Electric Utility in-lieu of tax transfers were decreased to 9%, it would result in a decrease of \$1,500,000;
- Eliminating the \$350,000 annual transfer from Electric Utility and paying back year one of the loan with interest (\$545,600) results in a decrease of \$895,600;
- The water rate increase will generate \$2 million;
- The sewer rate increase will generate \$1.5 million; and
- If a 911 fee were instituted, it would generate \$300,000.

Mayor Hansen made the following recommendations and comments:

- Would not be in favor of instituting a 911 fee if there was any possibility of being in violation of Proposition 218;
- Supported a ¼ cent general revenue sales tax increase with a sunset of five years;
- Opposed to increasing TOT; was in favor of allowing opportunity for BID to form; and
- Opposed to reducing the Electric Utility in-lieu of tax transfer to 9%.

Council Member Howard made the following recommendations and comments:

- Opposed to ¼ cent sales tax increase for general or special revenue;
- Opposed to increasing TOT; was in favor of allowing an opportunity for BID to form;
- Opposed to reducing the Electric Utility in-lieu of tax transfer to 9%; and
- Not interested in instituting a 911 fee at this time.

Council Member Hitchcock made the following recommendations and comments:

- Did not believe that a general revenue sales tax increase measure would be successful; however, she felt that it stood a better chance if it were designated for creating a greenbelt area;
- Supported a 911 fee; and
- Supported a Fire Department first responder fee.

Council Member Land made the following recommendations and comments:

- Opposed to any type of sales tax increase;
- Opposed to increasing TOT; was in favor of allowing an opportunity for BID to form;
- Opposed to reducing the Electric Utility in-lieu of tax transfer to 9%;
- Supported Capital transfer of \$350,000 if treated as a loan; and
- Supported a 911 fee.

Mayor Pro Tempore Beckman made the following recommendations and comments:

- Opposed to a 911 fee; and
- Favored a ¼ cent sales tax with a ten-year sunset, with the “guiding principle” that it would be used for a greenbelt and in the first one or two years of the sales tax, use the revenue to offset the City’s deficit and, in years three through eight, use the revenue for a greenbelt.

Mayor Hansen suggested a two-part ballot measure where voters first choose whether they want the sales tax increase and then choose from a selection (e.g. greenbelt, PCE/TCE cleanup, etc.) of what they would like the money spent on.

Council Member Hitchcock was opposed to Mayor Hansen’s suggestion. In addition, she stated that the Greenbelt Task Force is not ready to make a recommendation for the November 2004 ballot. Further, she recommended that the Council not place any measures on the ballot for this year’s election.

Council Member Howard agreed that it is too soon to place a sales tax increase measure on the ballot for a greenbelt area, as it is still being defined.

In reference to the revenue enhancements options, Mayor Hansen addressed the City Manager and stated that the 911 fee should be considered and “everything else is a no.”

MOTION/ VOTE:

There was no Council action taken on this matter.

VOTE TO CONTINUE WITH THE REMAINDER OF THE MEETING

The City Council, on motion of Mayor Pro Tempore Beckman, Hitchcock second, unanimously voted to continue the meeting following the 11 p.m. hour, but to consider only Items I-2 and J-1. The remainder of the items will be continued to the Regular City Council meeting of June 2, 2004.

I. REGULAR CALENDAR (Continued)

- I-2 “Discussion and appropriate action regarding: 1) Electric Utility \$350,000 annual transfer to the General Fund Capital; 2) repayment of past annual \$350,000 transfers from the Electric Utility to the General Fund Capital; and 3) \$73,000 remaining balance of the Old Lodi Union High School Site Foundation’s 1991 Loan”

Deputy City Manager Keeter recalled that a Special City Council meeting was held on April 26 to discuss interfund transfers. The matter is now before Council to decide whether or not to continue or cease transferring \$350,000 annually from Electric Utility to General Fund Capital. She noted that the \$350,000 transfer has already been programmed in the 2004-05 budget.

Council Member Hitchcock stated that the transfer should be discontinued immediately and repayments begun later when state impacts are more certain.

Mayor Hansen concurred with Ms. Hitchcock’s statement.

MOTION #1:

Mayor Pro Tempore Beckman made a motion, Hansen second, to immediately cease the \$350,000 annual transfer from the Electric Utility to the General Fund Capital and begin repaying the loan (on an annual basis with interest) in fiscal year 2006-07.

DISCUSSION:

Council Member Land was opposed to taking the \$350,000 out of this year's budget; however, he was in support of the repayment beginning in 2006-07.

Steve Dutra, Parks Superintendent, reported that from this transfer the Parks Division has been receiving \$150,000 annually and \$50,000 is placed in a small projects account. He stated that the Parks Department has come to rely on this funding for daily operations.

VOTE:

The above motion carried by the following vote:

Ayes: Council Members – Beckman, Hitchcock, Howard, and Mayor Hansen

Noes: Council Members – Land

Absent: Council Members – None

Discussion ensued regarding the \$73,000 remaining balance of the Old Lodi Union High School Site Foundation's 1991 Loan.

Tea Silvestre, Community Center Director, stated that the Foundation has worked diligently to raise funds and recommended that the loan be forgiven.

City Manager Flynn suggested that the first payment received from the Foundation be applied to the loan. He noted that the first payment did not have City matching funds.

Council Member Howard asked, if done as the City Manager suggested, whether the current balance would then increase by \$73,000, to which Mr. Flynn answered in the affirmative.

MOTION #2 / VOTE:

The City Council, on motion of Mayor Pro Tempore Beckman, Hitchcock second, unanimously voted to apply/transfer a portion of the first payment made by the Foundation toward its commitment to repay the City for completion of the Hutchins Street Square project to pay off the \$73,000 remaining balance of the Old Lodi Union High School Site Foundation's 1991 loan.

- I-3 "Adopt urgency ordinance repealing and reenacting Lodi Municipal Code §13.04.130 and establishing low-income discounts for water, sewer, and refuse services and adopt resolution establishing discounts" was ***continued to the regular meeting of June 2, due to the above vote.***
- I-4 "Consideration of various matters pertaining to the November 2, 2004, General Municipal Election: a) Resolution calling and giving notice of the holding of a General Municipal Election, b) Resolution approving entering into a contract with the County of San Joaquin for the County Registrar of Voters to provide certain services, c) Resolution regarding impartial analyses, arguments, and rebuttal arguments for any measure(s) that may qualify to be placed on the ballot, and d) Resolution adopting regulations pertaining to the candidates' statements" was ***continued to the regular meeting of June 2, due to the above vote.***
- I-5 "Discussion and possible action regarding option to refer the proposed Large-Scale Retail Initiative measure to any city agency or agencies for a report on its effect on municipal operations (pursuant to California Elections Code Section 9212)" was ***continued to the regular meeting of June 2, due to the above vote.***

- I-6 "Introduce ordinance amending Lodi Municipal Code Chapter 12.12 – Parks – by adding Article IV, "Skate Parks," relating to skate park regulations" was ***continued to the regular meeting of June 2, due to the above vote.***
- I-7 "Discussion and possible action regarding a proposed City of Lodi Code of Ethics and Values" was ***continued to the regular meeting of June 2, due to the above vote.***
- E-13 "Adopt resolution authorizing the City Manager to allocate designated funds to create the Lodi Customer Assistance & Relief Energy Package Program and authorizing the City Manager to execute a contract with the Salvation Army to administer this program (\$105,000)" was ***continued to the regular meeting of June 2, due to the above vote.***

J. ORDINANCE

- J-1 Following reading of the title of Ordinance No. 1747 entitled, "An Ordinance of the City Council of the City of Lodi Amending Lodi Municipal Code Title 13 – Public Services – by Repealing and Reenacting Chapter 13.14, 'Stormwater Management and Discharge Control,' Relating to Stormwater," having been introduced at a regular meeting of the Lodi City Council held May 5, 2004, the City Council, on motion of Mayor Pro Tempore Beckman, Hansen second, waived reading of the ordinance in full and adopted and ordered it to print by the following vote:
- Ayes: Council Members – Beckman, Hitchcock, Howard, Land, and Mayor Hansen
Noes: Council Members – None
Absent: Council Members – None
Abstain: Council Members – None

K. COMMENTS BY CITY COUNCIL MEMBERS ON NON-AGENDA ITEMS

None.

L. COMMENTS BY THE CITY ATTORNEY ON NON-AGENDA ITEMS

- Interim City Attorney Schwabauer suggested that the adjourned Special Meeting (from May 18, 2004, at 7:00 a.m. to May 19, 2004, at 7:00 p.m.) be re-adjourned to May 21, 2004, at 7:00 a.m. *NOTE: It was subsequently decided (due to Brown Act considerations) to re-adjourn the meeting to May 21, 2004, at 4:30 p.m.*

Mr. Schwabauer stated that May 20 is the last day to file a writ of certiorari on the Third District Court of Appeal opinion. In the absence of Council direction, he would file the motion and bring it back to Council for deliberation and removal if desired. On May 21, a decision must be made on whether or not to appeal the decision of the Regional Water Quality Control Board that it is not bound by the joint cooperative agreement and that it can issue orders against the City independently. There are also a number of bills, which are now several months old and need to be addressed as soon as possible.

M. ADJOURNMENT

There being no further business to come before the City Council, the meeting was adjourned at 1:25 a.m., Thursday, May 20, 2004.

ATTEST:

Susan J. Blackston
City Clerk

**LODI CITY COUNCIL
REGULAR CITY COUNCIL MEETING
CARNEGIE FORUM, 305 WEST PINE STREET
WEDNESDAY, JUNE 2, 2004**

C-1 CALL TO ORDER / ROLL CALL

The City Council Closed Session meeting of June 2, 2004, was called to order by Mayor Hansen at 5:32 p.m.

Present: Council Members – Beckman, Hitchcock, Howard, Land, and Mayor Hansen

Absent: Council Members – None

Also Present: City Manager Flynn, Interim City Attorney Schwabauer, and City Clerk Blackston

C-2 ANNOUNCEMENT OF CLOSED SESSION

- a) Conference with Human Resources Director, Joanne Narloch, concerning Vacation Accrual Cap Policy regarding all bargaining units and unrepresented employees pursuant to Government Code §54957.6 (HR)
- b) Conference with Human Resources Director, Joanne Narloch, regarding Association of Lodi City Employees concerning Maintenance and Operators pursuant to Government Code §54957.6 (HR)
- c) Actual Litigation: Government Code §54956.9(a); one case; People of the State of California; and the City of Lodi, California v. M & P Investments, et al.; United States District Court, Eastern District of California, Case No. CIV-S-00-2441 FCD JFM
- d) Actual litigation: Government Code §54956.9(a); one case; Hartford Accident and Indemnity Company, et al. v. City of Lodi, et al., Superior Court, County of San Francisco, Case No. 323658
- e) Conference with legal counsel – initiation of litigation: Government Code §54956.9(c); two cases
- f) Conference with legal counsel – anticipated litigation – significant exposure to litigation pursuant to subdivision (b) of Section 54956.9; one case; pursuant to Government Code §54956.9(b)(3)(A) facts, due to not being known to potential plaintiffs, shall not be disclosed
- g) Actual Litigation: Government Code §54956.9(a); one case; City of Lodi, a California Municipal Corporation, and Lodi Financing Corporation, a California nonprofit corporation v. Lehman Brothers, Inc. and US Bank National Association, United States District Court, Eastern District of California, Case No. CIV. S-04-0606 MCE-KJM

C-3 ADJOURN TO CLOSED SESSION

At 5:32 p.m., Mayor Hansen adjourned the meeting to a Closed Session to discuss the above matters.

The Closed Session adjourned at 6:55 p.m.

C-4 RETURN TO OPEN SESSION / DISCLOSURE OF ACTION

At 7:05 p.m., Mayor Hansen reconvened the City Council meeting, and Interim City Attorney Schwabauer disclosed the following actions.

In regard to Item C-2 (a), direction was given to negotiating parties.

In regard to Item C-2 (b), by a 5-0 vote, Council approved the bargainers to reinstate the meet and confer process with the Maintenance & Operators Unit.

In regard to Item C-2 (c), Council approved filing a petition for certiorari in the Randtron case.

In regard to Item C-2 (d), by 4-1 vote with Council Member Land dissenting, Council approved an audit by Barger & Wolen of Envision Law Groups bills for the calendar year 2003 and January 2004 at a fixed fee of \$200,000.

In regard to Items C-2 (e), (f), and (g), no reportable action was taken in closed session.

A. CALL TO ORDER / ROLL CALL

The Regular City Council meeting of June 2, 2004, was called to order by Mayor Hansen at 7:05 p.m.

Present: Council Members – Beckman, Hitchcock, Howard, Land, and Mayor Hansen

Absent: Council Members – None

Also Present: City Manager Flynn, Interim City Attorney Schwabauer, and City Clerk Blackston

B. INVOCATION

The invocation was given by Pastor Chris Guadiz, Fairmont Seventh Day Adventist Church.

C. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mayor Hansen.

D. AWARDS / PROCLAMATIONS / PRESENTATIONS

D-1 Awards – None

D-2 Proclamations – None

D-3 (a) Joey Nardinelli, member of the Greater Lodi Area Youth Commission, acknowledged the Teen of the Month, Ashley Dominguez from Tokay High School, and he provided an update on recent activities and accomplishments of the Commission.

D-3 (b) Captain Robert Bechill, representing the Lodi Area All Veterans' Foundation, noted that \$370,000 is still owed by the Foundation to the City for the All Veterans' Plaza and fundraising events are being planned. On June 3, an Evening on the Plaza will be held. On June 6, a D-Day Remembrance will be held at the Library. A group of Delta College students and an instructor have been commissioned to write a veteran's book entitled, *Distant Thunder – Voice and Recollections of Lodi Area Veterans*. It is anticipated that the book will be published in August. An Oktoberfest event is being planned for October 1 and a Veterans Day observance will be held on November 11.

E. CONSENT CALENDAR

In accordance with the report and recommendation of the City Manager, Council, on motion of Mayor Hansen, Beckman second, unanimously approved the following items hereinafter set forth:

E-1 Claims were approved in the amount of \$3,938,837.78.

E-2 The minutes of April 21, 2004 (Regular Meeting), April 27, 2004 (Special Meeting), May 11, 2004 (Shirtsleeve Session), May 11, 2004 (Special Meeting), May 18, 2004 (Shirtsleeve Session), May 18, 2004 (Special Meeting), May 19, 2004 (Adjourned Special Meeting), May 21, 2004 (Adjourned Special Meeting), May 21, 2004 (Special Meeting), and May 25, 2004 (Shirtsleeve Session) were approved as written.

DISCUSSION:

In reference to the minutes of April 21, Mayor Hansen asked what the status was of the concern expressed by a citizen regarding the abandoned railroad tracks on Cherokee Lane between Lockeford Street and Victor Road.

Public Works Director Prima stated that he gave direction to staff to pave over the tracks, but was uncertain when it would be accomplished.

E-3 Adopted Resolution No. 2004-103 awarding the bid for purchase of one AC HiPot Tester to the sole bidder, High Voltage Inc., of Copake, New York, and appropriated funding in the amount of \$6,788.25.

E-4 Adopted Resolution No. 2004-104 authorizing the purchase of 122 40-caliber Glock semi-automatic pistols and 30 Glock G22 magazines from LC Action Police Supply, of San Jose, in the amount of \$20,569.77 from Asset Seizure funds.

- E-5 Adopted Resolution No. 2004-105 awarding the contract for the Water and Wastewater Main Replacement Program (Project No. 2) to Crutchfield Construction Company, of Lodi, in the amount of \$1,994,167.20; and appropriated additional funds for the project in accordance with staff's recommendation (totaling \$2,350,000).
 - E-6 Adopted Resolution No. 2004-106 approving the Improvement Agreement for the public improvements for 2650 West Lodi Avenue, directed the City Manager and City Clerk to execute the agreement on behalf of the City, and appropriated funds in the amount of \$8,220 for the required reimbursements.
 - E-7 Adopted Resolution No. 2004-107 approving the Fire Mid-Management (unrepresented) Addendum to Statement of Benefits.
 - E-8 Adopted Resolution No. 2004-108 ratifying the San Joaquin Council of Governments' Annual Financial Plan for Fiscal Year 2004-05.
 - E-9 Authorized funds from the Protocol Account for the City Council to host a reception honoring citizen volunteer service and retirements on various boards and commissions (approximately \$5,500 / \$20 per person).
 - E-10 Adopted Resolution No. 2004-109 appointing James R. Krueger, Finance Director, to the position of Treasurer of the City of Lodi, at no compensation, effective June 2, 2004.
 - E-11 Adopted Resolution No. 2004-110 approving the application for Wastewater Infrastructure Environmental Protection Agency (EPA) Grant and authorizing the City Manager to execute the appropriate documents.
-

F. COMMENTS BY THE PUBLIC ON NON-AGENDA ITEMS

None.

G. PUBLIC HEARINGS

- G-1 Notice thereof having been published according to law, an affidavit of which publication is on file in the office of the City Clerk, Mayor Hansen called for the public hearing to consider an appeal received from Key Advertising, Inc., regarding the Planning Commission's decision to deny the request of Key Advertising for a Use Permit to allow a 75-foot-high electronic display sign and a Variance to double the maximum allowable sign area from 480 square feet to 960 square feet to be located at 1251 South Beckman Road.

MOTION / VOTE:

The City Council, on motion of Council Member Land, Beckman second, unanimously continued the subject public hearing to the Regular City Council meeting of July 21, 2004.

H. COMMUNICATIONS

- H-1 Claims filed against the City of Lodi – None
- H-2 Reports: Boards/Commissions/Task Forces/Committees – None
- H-3 The following postings/appointments were made:
 - a) The City Council, on motion of Council Member Land, Beckman second, unanimously made the following appointments to the East Side Improvement Committee:
 - East Side Improvement Committee
 - Ed Beswick Term to expire March 1, 2005
 - Fran Forkas Term to expire March 1, 2006
- H-4 Miscellaneous – None

I. REGULAR CALENDAR

- I-1 "Adopt urgency ordinance repealing and reenacting Lodi Municipal Code §13.04.130 and establishing low-income discounts for water, sewer, and refuse services and adopt resolution establishing discounts"

Public Works Director Prima stated that there are discount programs currently for electricity, water, wastewater, and refuse; however, the eligibility requirements for each of them are different. He recommended that it be changed so that the eligibility requirements for each of the discount programs be identical and discount rates for water, sewer, and refuse be set by resolution. The Electric Utility discount programs consist of the Single Household Alternative Rate for Energy (SHARE) program, which has an income eligibility requirement, and a senior/fixed income discount program, in which eligibility is ascertained through a combination of age and income level. He estimated that 95% of the SHARE program customers would be eligible to receive discounts on water, wastewater, and refuse and 100% of the senior/fixed income customers would be eligible for all of the discount programs.

Mr. Prima recommended that the following discount percentages be adopted:

	<u>SHARE Program</u>	<u>Senior/Fixed Income Program</u>
Refuse	30%	10%
Water	20%	10%
Wastewater	20%	10%

If the discount percentages were adopted, the total cost to other ratepayers would range from 8 to 27 cents per month. The revenue loss would be as follows:

	<u>SHARE Program</u>	<u>Senior/Fixed Income Program</u>
Refuse	\$7,930	\$2,800
Water	\$60,300	\$3,300
Wastewater	\$46,700	\$2,500

Following discussion, it was decided to amend the ordinance, Section 1, 13.04.130 Low Income Adjustments (last sentence), "Proof of eligibility for age and income (by means of tax return or equivalent documents) will be required annually by the City to qualify for rate adjustments provided herein."

Mayor Pro Tempore Beckman was opposed to the discount programs, as he likened it to a form of government charity and/or cash redistribution.

In reply to Council Member Howard, Mr. Prima acknowledged that the change in the eligibility requirement for the water, wastewater, and refuse discount programs would probably allow more people to qualify. He confirmed that Council is being asked to increase eligibility and increase the dollar amount of the discounts.

Council Member Howard was opposed to modifying the current programs.

MOTION / VOTE:

Mayor Hansen made a motion, Land second, to take the following actions:

- adopt an urgency ordinance amending Chapter 13.04 of the Lodi Municipal Code by repealing and reenacting Section 13.04.130 relating to low-income adjustments, with the following amendment to Section 1, 13.04.130 Low Income Adjustments (last sentence), "Proof of eligibility ~~may be required~~ **for age and income (by means of tax return or equivalent documents) will be required annually** by the City to qualify for rate adjustments provided herein";
- adopt a resolution establishing low-income discounts for water, sewer, and refuse services; and
- Direct staff to within 30 days present Council with a policy that outlines the procedure for citizens to apply for the discount programs and an annual proof of eligibility program.

The motion **failed** by the following vote (NOTE: an urgency ordinance requires a 4/5 vote for approval):

Ayes: Council Members – Hitchcock, Land, and Mayor Hansen

Noes: Council Members – Beckman and Howard

Absent: Council Members – None

City Manager Flynn stated that staff will bring the matter back with the policy through the regular ordinance process, rather than as an urgency ordinance.

Council Member Hitchcock referenced exhibit A to the staff report, noting that under the SHARE program it states, "Once the application is approved, it is up to the applicant to notify the Finance Department within 30 days of becoming ineligible for the program." She suggested that this statement be reconsidered as well when developing the policy.

- I-2 "Adopt resolution approving the retention of Folger Levin & Kahn as outside counsel and approving waiving the joint representation conflict"

Interim City Attorney Schwabauer recalled that Council previously approved the Folger Levin & Kahn (FLK) contract for a one-month period and \$150,000 fixed fee for the attorneys to "get up to speed." Before Council this evening is the remainder of the contract. The contract includes the stipulation that at the end of the one-month period FLK will provide Council with a budget forecast for the next six months. The proposed budget cannot be exceeded without prior Council approval. Every four months, FLK will submit a new budget for the upcoming six-month period. Also before Council is a request to approve the waiver of a technical conflict of interest that exists, due to FLK also representing the Lodi Financing Corporation. Mr. Schwabauer noted that the staff report for this item incorrectly reflects the funding source as only the Water Fund; whereas, it should have stated that the cost would be split equally between the Water and Wastewater Funds.

PUBLIC COMMENTS:

- Margaret Dollbaum, representing FLK, stated that the firm looked forward to serving the Council and the City in the Environmental Abatement Program litigation.

MOTION / VOTE:

The City Council, on motion of Mayor Hansen, Beckman second, unanimously adopted Resolution No. 2004-111 approving the retention of Folger Levin & Kahn as outside counsel for the Environmental Abatement Program litigation, approving waiving the joint representation conflict, and determining that funds will be derived from the Water/Wastewater accounts equally for this purpose.

- I-3 "Consideration of various matters pertaining to the November 2, 2004, General Municipal Election: a) Resolution calling and giving notice of the holding of a General Municipal Election; b) Resolution approving entering into a contract with the County of San Joaquin for the County Registrar of Voters to provide certain services; c) Resolution regarding impartial analyses, arguments, and rebuttal arguments for any measure(s) that may qualify to be placed on the ballot; and d) Resolution adopting regulations pertaining to the candidates' statements"

City Clerk Blackston presented the following information:

Item a) is a recommendation to adopt a resolution calling and giving notice of the holding of a General Municipal Election in the City of Lodi on Tuesday, November 2, 2004, for the purpose of electing two members of the City Council for terms of four years.

Item b) is a recommendation to adopt a resolution to enter into a contract with the County of San Joaquin requesting that the Board of Supervisors permit the County Registrar of Voters Office to prepare and furnish to the City of Lodi all materials, equipment, and services as agreed upon for the conduct of the election. This is necessary due to Ordinance 1438 adopted by the Council in 1988, which consolidated the municipal election with the statewide general election. The estimated cost of the election is \$109,750, which does not include the cost of printing & translating candidates' statements.

Ms. Blackston noted that election costs have continued to increase over the years, which can be attributed in part to district reapportionment, which resulted in multiple ballot types (for both districts and political parties) and most recently to the Secretary of State's decision to decertify the Diebold touch screen voting system in San Joaquin County until security measures are in place.

Item c) is a recommendation to adopt a resolution setting forth the policy regarding impartial analyses, arguments, and rebuttal arguments for any measures that may qualify to be placed on the ballot. The policy for word limitations, etc., as outlined in the resolution, is as specified in the Elections Code.

Item d) The Elections Code allows each candidate for a non-partisan elective office in a city to prepare a statement to be included with the sample ballot, which is mailed to each registered voter. Candidates' statements are designed to acquaint voters with a candidate's qualifications for the office they are seeking. Ms. Blackston quoted Elections Code Section 13307(c), which states in part that, "The local agency may require each candidate filing a statement to pay in advance to the local agency his or her estimated pro rata share as a condition of having his or her statement included in the voter's pamphlet." The County Registrar of Voters has estimated the cost for translating candidates' statements of qualifications into Spanish (as is now required in San Joaquin County) and printing them in the voters pamphlet at \$1,295 each. The cost incurred by the City for eight candidates' statements in the 2002 election was \$10,400. In addition, the proposed resolution for item (d) also stipulates that the word limitation for the candidates' statements remain unchanged at 200 words.

Ms. Blackston recommended that the City Council approve charging the candidates for the actual costs associated with the candidates' statements for the following reasons:

- Candidate statements are not a requirement to run for elective office;
- For individuals unable to pay the associated costs in advance, the Elections Code contains an indigency provision; and
- Government Code Section 85300 states that, "No public officer shall expend and no candidate shall accept any public moneys for the purpose of seeking elective office."

In reply to Council inquiries, Ms. Blackston stated that historically the City of Lodi has paid for the candidates' statements. She noted that in 2002 an informal survey was conducted, in which only 9 out of 75 cities who responded paid for candidates' statements; the remaining 66 cities charged the candidates for this cost.

Council Member Land asked Interim City Attorney Schwabauer whether he had a conflict of interest on this issue, as his term is expiring and he would be affected by the decision on this matter. Mr. Schwabauer replied that it is an unavoidable conflict as the Council is the only entity that can decide the question. Mr. Land stated that he would abstain from further discussion on the candidate statement issue.

PUBLIC COMMENTS:

- Frank Alegre pointed out that for years Council Members were relieved from paying the candidate statement fee and felt it was unfair to change the policy now, noting that some individuals who wish to run for office cannot afford it.

Council Member Howard agreed that the candidate statement fee might discourage some individuals from running for office.

Council Member Hitchcock asked Interim City Attorney Schwabauer to determine whether the City is in violation of Government Code Section 85300 by paying for the cost of candidates' statements. Pending this determination, it was agreed to continue Item d) to the next regularly scheduled City Council meeting.

MOTION / VOTE:

The City Council, on motion of Council Member Hitchcock, Beckman second, unanimously adopted the following resolutions:

- Resolution No. 2004-112 entitled, "A Resolution of the City Council of the City of Lodi, California, Calling and Giving Notice of the Holding of a General Municipal Election to be Held in the City on Tuesday, November 2, 2004, for the Election of Certain Officers of the City as Required by the Provisions of the Laws of the State of California Relating to General Law Cities";
- Resolution No. 2004-113 entitled, "A Resolution of the City Council of the City of Lodi, California, Requesting the Board of Supervisors of the County of San Joaquin to Render Specified Services to the City Relating to the Conduct of a General Municipal Election to be Held Tuesday, November 2, 2004"; and
- Resolution No. 2004-114 entitled, "A Resolution of the City Council of the City of Lodi, California, Setting Forth the Council's Policy Regarding Impartial Analyses, Arguments, and Rebuttal Arguments for any Measure(s) that May Qualify to be Placed on the Ballot for the November 2, 2004, General Municipal Election."

Item d) regarding resolution adopting regulations for candidates for elective office pertaining to candidates' statements submitted to the voters at the election to be held on Tuesday, November 2, 2004, was continued to the Regular City Council meeting of June 16, 2004.

- I-4 "Discussion and possible action regarding the proposed Large-Scale Retail Initiative and request by the Small City Preservation Committee for the Council to place the measure on the November 2, 2004 ballot, with the exclusion of the reference to outside retail areas"

City Clerk Blackston noted that the staff report for this item references the Council meetings of March 17 and April 7, at which discussion and action took place on matters related to large retail establishments. At the meeting of May 19, Betsy Fiske, Chair of the Small City Preservation Committee, reported that circulators of the Large-Scale Retail Initiative petition had collected over 2,800 signatures. Subsequently it was brought to their attention that the initiative would apply to car dealerships, which was not their intention. Because of this, Ms. Fiske submitted a document listing four choices for Council to consider, which is marked Exhibit B to the staff report for this item. Ms. Blackston pointed out that the first choice offers that "the initiative is placed on the ballot as is with the City acknowledging that the intention of the Small City Preservation Committee is that it does not apply to car dealerships and, if it passes, advising the Community Development Director of same." Ms. Blackston questioned whether this was a valid option for Council to consider because the Elections Code specifically states that if the petition is filed and qualifies, Council can either: 1) adopt the ordinance without alteration or 2) call an election, at which the ordinance without alteration is submitted to a vote of the voters of the city. Further the Elections Code states that "If a majority of the voters voting on a proposed ordinance vote in its favor, the ordinance shall become a valid and binding ordinance of the city. No ordinance that is either proposed by initiative petition and adopted by the vote of the legislative body of the city without submission to the voters, or adopted by the voters, shall be repealed or amended except by a vote of the people." Ms. Blackston stated that choice number three, which is the Committee's preference, asks that the language of the initiative be amended to exclude reference to "outside retail areas" and that Council place the measure on the November 2004 ballot for a public vote.

PUBLIC COMMENTS:

- Dale Gillespie believed that there were two flaws in the initiative: 1) the outside sales area inclusion in the calculation of 125,000 square feet and 2) creation of non-conforming uses. He pointed out that the existing Target, Wal-Mart, Geweke – Toyota, Dodge, Plummer (now under construction), Pontiac, and Cadillac facilities would all be non-conforming uses if the proposed initiative was passed by the voters. If a catastrophic event occurred resulting in damage that caused a need for these facilities to be rebuilt, they would first have to go through a full environmental process and approval at a general election. He felt that this would be a devastating consequence to any of the owners of these facilities.

Interim City Attorney Schwabauer reported that he received an amended version of the initiative today from the Small City Preservation Committee with its requested revision designed to remove the reference to the outside retail areas and to allow existing businesses to rebuild to the same standards as they had previously.

- Pat Patrick, President and Chief Executive Officer of the Lodi Chamber of Commerce, expressed his surprise in reading the newspaper ad that the Small City Preservation Committee published last Saturday, which stated, "Please attend the next regularly scheduled City Council meeting on June 2 to let Council know that we don't need them to waste any more of our money." Mr. Patrick suggested that the Committee consider what it has cost the City in delays of large retail projects and the loss of sales tax revenues, due to those delays. He felt that the proposed initiative was very anti-business oriented. He cautioned that if Council placed the initiative on the ballot, it would send the message that Lodi government is very anti-business. He pointed out that the proposed initiative expressly prohibits the City Council from granting any variances to large retail. It automatically changes the general plan, any future plans, all zoning ordinances, and City policies to conform to the spirit of the initiative. He rhetorically asked Council if any of the downtown merchants have expressed opposition to large retail businesses. He noted that they are not concerned and do not see it as competition. He felt that the departments of Public Works and Community Development did an excellent job in designing an intersection to handle the amount of traffic that large retail would create. The Planning Commission and City Council recently approved design standards to prohibit plain facades and sparse landscaping. Mr. Patrick warned that if Lodi does not have large retail that motivates consumer purchases, citizens will go outside the City to buy goods. The proposed initiative specifies that large businesses must pay for an election if they want to build in the City, which does not make Lodi attractive to large retail stores. On behalf of the Chamber of Commerce, Mr. Patrick urged Council to let the "people" put the measure on the ballot if it qualifies – not City government.

Mayor Hansen stated that he was in support of the Wal-Mart Supercenter project and the concepts of free enterprise and competition. He reported that in the past 24 hours he received nearly 60 emails on this issue. He contended that because it is so important to the community, an opportunity should be given for citizens to vote on the matter. He preferred that a very simple measure be placed on the ballot asking only the question of whether or not voters want large-scale retail of 125,000 square feet or more to build in Lodi.

- Shawnee Shahroody Spitler, representing the law office of Donald E. Mooney and on behalf of the Small City Preservation Committee, stated that the proposed initiative is a culmination of months of effort and thousands of supporters who found a need to put it on the ballot. She stated that, as a whole, it was not the intent of the group to include car dealerships.

- Eileen St. Yves urged Council not to amend the initiative, as those who signed the petition did so with it written as is.
- Bill Crow agreed with the statements made previously by Mr. Patrick and Ms. St. Yves. He asked why Council would want to keep businesses out, considering the City's current financial difficulties.
- Robert Fenton stated that he signed the petition, but did not know that it included open space. Mr. Fenton commented that he worked on the Wal-Mart stores in Lodi and Manteca. He believed that Wal-Mart Supercenters cause traffic problems and urged Council to allow the people of Lodi to decide this issue.

In response to Council Member Land, Mr. Fenton acknowledged that he appeared at previous City Council meetings with a box on his head and had declined to identify himself.

- Darryl Browman requested that Council not place the initiative on the ballot. He recalled that Council had been preempted by the Small City Preservation Committee on this matter, and now 2,800 people have signed the petition as it is currently written. He objected to the discriminatory nature of the initiative and suggested that if it is directed only at the Wal-Mart Supercenter, then that fact should be clearly stated. He commented that the Planning Commission and City Council adopted excellent design criteria for large retail establishments that apply to everyone.

Mayor Hansen disclosed that he met with Mr. Browman and two represents from Wal-Mart last Thursday. He asked what impact this would have on the Wal-Mart Supercenter project if the initiative is not resolved at the November 2004 election.

Mr. Browman replied that developers of the project have already been engaged in the process for nearly two years and have spent hundreds of thousands of dollars. He requested that a decision be made so that the project is allowed to proceed.

Council Member Hitchcock asked how the proposed Lodi Wal-Mart Supercenter would look different than the center currently being built in Stockton.

Mr. Browman responded that Lodi's design criteria mandates upgrades and stated that Lodi's Wal-Mart Supercenter would be one of the best two designs in the country.

- Frank Alegre stated that it appears that a small group of people are being allowed to control the city. He emphasized that Lodi cannot be supported with housing; it needs large businesses to attract people from surrounding areas. In order to be competitive the City must be business friendly. He asserted that members of the Small City Preservation Committee should be required to prepare an environmental impact report as well, because they justify their position based on unsubstantiated allegations of impacts from traffic, air pollution, etc. He felt that it was unfair to impose ordinance restrictions on businesses who have already begun the process of construction planning and suggested that they ought to sue if stopped from proceeding now. He noted that Wal-Mart supports the community through charitable contributions. He urged Council not to put its name on the initiative by placing the measure on the ballot itself.
- Martin Church noted that he sent an e-mail communication to Council on this matter. He stated that it appears the Small City Preservation Committee is specifically and solely opposed to the Wal-Mart Supercenter. He asserted that concept is completely un-American and noted that the country was built 200 years ago on the free enterprise system and it is what drives the economy today. He warned that if Council amends the initiative and places it on the ballot it will give citizens of the community the perception that Council endorses it.

RECESS

At 9:20 p.m., Mayor Hansen called for a recess, and the City Council meeting reconvened at 9:33 p.m.

I. REGULAR CALENDAR (Continued)

I-4 Mayor Hansen stated that if it is possible to place the measure on the November ballot for (Cont'd.) a public vote he would be in favor of it. He noted, however, that the Council also has a duty in terms of the process and obligation to the developer.

Mayor Pro Tempore Beckman recalled that three months ago he asked Council to consider a size limitation on large retail establishments; however, members of the Small City Preservation Committee preempted it with their initiative. He stated that legislative bodies are elected to make laws and policies and the initiative process circumvents that. He acknowledged that there are rare situations when it is necessary, e.g. when it is desired that the policy outlive the legislative body. He read the following excerpts from email communications received by Council that expressed his opinion on this matter as well:

- Matthew Lorentzen – “The people voted for you so that you can make the tough decisions. If we wanted decisions such as these to always be put on the ballot we wouldn’t need a city council, just a monthly election so all voters could make all decisions.”
- Gary and Sharon Hanna – “If we needed to bring everything to a vote to make a decision on projects, why do we need a city council, let’s just pass ballots out and vote on everything.”
- Ivan Suess – “We believe that the citizens have elected city council members who have spent years preparing themselves to make meaningful decisions such as this. They should have far more knowledge of the pros and cons surrounding such a decision than the average voting citizen. We believe that they would be shirking their elected responsibility by turning it back to the electorate to decide.”
- Evan Stone – “As much as I appreciate the need for citizen input on issues such as this, we have elected you to make these decisions for us. I don’t need to remind you that we live in a democratic republic, thereby eliminating the need for votes by the people on every issue that comes up.”
- Chamber of Commerce newsletter – “The entire city elected the council to weigh factors and make decisions. We encourage them to do so in this matter.”

Mayor Pro Tempore Beckman stated that the initiative proposed by the Small City Preservation Committee would not settle the issue on “big-box” stores, it would only guarantee more elections in the future each time a large business wanted to build in Lodi and it would take away the authority of the Council to make the decisions that the public elected it to make. Mr. Beckman stated that he would be willing to place a measure on the ballot limiting large retail establishments to 60,000 square feet. In the alternative, he would also support an advisory vote specifically targeted to the Wal-Mart Supercenter. He acknowledged that an advisory vote would be non-binding; however, it would let Council know how the citizens feel and the public would have an opportunity to vote on the matter.

Council Member Hitchcock felt that the matter should be voted on by the public because the community is divided over the issue and it has far-reaching impacts. She favored Council making amendments to the initiative as requested by the Small City Preservation Committee and placing the measure on the November ballot, which would also save the expense of a Special Election later.

Council Member Howard expressed her opinion that it is the decision of the Small City Preservation Committee whether or not, and in what form, the initiative moves forward. She felt it was the Committee's obligation to those who signed the petition to continue through the ministerial process to place it on the ballot in November in its current wording. To change the wording now would be to assume that the 2,800 signers agree with the modifications. If the Committee members are dissatisfied with their initiative language, they should change it and begin the process again.

Council Member Land agreed with previous comments that it appears the Small City Preservation Committee is opposing Wal-Mart, behind the guise of a more general issue. He noted that Council has already addressed design standards for large retail establishments. He felt that the Committee would be doing a disservice to the signers of the petition if it were amended now. Mr. Land recalled having previously promised the Committee that if they obtained enough valid signatures on the petition he would support placing the measure on the November 2004 general election ballot. If the Committee decides to pursue a special election he would oppose it, as well as a moratorium on large retail projects. In that case, he would recommend that Mr. Browman be allowed to move forward with his development.

Council Member Howard felt that no delays should be placed on the Wal-Mart Supercenter developers. The process now underway should be allowed to continue unhindered.

Mayor Hansen stated that the way the initiative is currently written, it is designed to fail. He reiterated his desire to place a simple measure on the ballot addressing only the issue of a size limitation of 125,000 square feet on large retail establishments. He cautioned that if the initiative is allowed to go forward as is, the cost may be enormous to the City in the long run, due to the negative impact on the interest of new businesses coming into the community.

Council Member Hitchcock stated that she would support an advisory vote on the issue of a 125,000 square foot size limitation on large retail establishments, providing that the Small City Preservation Committee did not pursue its initiative.

In response to Mayor Pro Tempore Beckman's earlier comment that an advisory vote would be non-binding, Council Member Land thought it to be unrealistic to believe there would not be an obligation to adhere to the outcome of the citizens' vote.

Council Member Howard pointed out that the City just conducted a public survey, which included the issue of "big-box" stores. She urged Council to focus on the fact that the initiative under consideration was prompted by the Small City Preservation Committee. It is not the Council's responsibility to correct their errors.

Mayor Hansen asked City Clerk Blackston if the Committee still had time to move forward with the initiative process for placement on the November 2004 ballot, to which she answered that it was possible, assuming that the San Joaquin County Registrar of Voters had adequate time to verify the signatures prior to the deadline.

MOTION / VOTE:

No Council action was taken on this matter.

- I-5 "Discussion and possible action regarding option to refer the proposed Large-Scale Retail Initiative measure to any city agency or agencies for a report on its effect on municipal operations (pursuant to California Elections Code Section 9212)"

Interim City Attorney Schwabauer reported that the Elections Code provides Council an opportunity, during circulation of a petition, to request that a report on the impacts of the

initiative be prepared. The report is elective; however, if it is desired, by requesting it now it would allow staff additional time, whereas, if it were requested when the initiative is before Council for certification, the Code allows only 30 days for its preparation.

Mayor Pro Tempore Beckman expressed support for requesting preparation of a report on the effects that the initiative would have on the municipal operations of the City.

Council Member Hitchcock was not in favor of the report, due to the likelihood that it would not be unbiased.

In reply to inquiries, Community Development Director Bartlam encouraged Council to decide now if it wished to have the report prepared to allow staff additional time to conduct the work. He reported that an Environmental Impact Report is now underway for the proposed Wal-Mart Supercenter. In addition, a report will be prepared on the fiscal impacts to downtown businesses from this project. He explained that the purpose of the report under discussion is to evaluate the impacts of the initiative – not the development project.

Mayor Hansen was in favor of the report in an effort to obtain as much information as possible before making a decision.

MOTION / VOTE:

The City Council, on motion of Mayor Hansen, Beckman second, unanimously referred the proposed Large-Scale Retail Initiative measure to staff for a report on the following items:

- Its fiscal impact.
- Its effect on the internal consistency of the city's general and specific plans, including the housing element, the consistency between planning and zoning, and the limitations on city actions under Section 65008 of the Government Code and Chapters 4.2 (commencing with Section 65913) and 4.3 (commencing with Section 65915) of Division 1 of Title 7 of the Government Code.
- Its effect on the use of land, the impact on the availability and location of housing, and the ability of the city to meet its regional housing needs.
- Its impact on funding for infrastructure of all types, including, but not limited to, transportation, schools, parks, and open space. The report may also discuss whether the measure would be likely to result in increased infrastructure costs or savings, including the costs of infrastructure maintenance, to current residents and businesses.
- Its impact on the community's ability to attract and retain business and employment.
- Its impact on the uses of vacant parcels of land.
- Its impact on agricultural lands, open space, traffic congestion, existing business districts, and developed areas designated for revitalization.
- Any other matters the legislative body requests to be in the report.

RECESS

At 10:20 p.m., Mayor Hansen called for a recess, and the City Council meeting reconvened at 10:25 p.m.

I. REGULAR CALENDAR (Continued)

NOTE: The following items were discussed and acted upon out of order.

- I-7 "Introduce ordinance amending Lodi Municipal Code Chapter 12.12 – Parks – by adding Article IV, 'Skate Parks,' relating to skate park regulations"

Mike Reese, Recreation Supervisor, reported that the proposed ordinance would enable the Kofu Park skate park to be reopened as an unsupervised facility. Skaters would be notified

of the requirement that safety gear must be worn. The park would be available for skateboarders and in-line skaters only, not for BMX bikes, due to Health and Safety Code regulations. Some residents surrounding Kofu Park had expressed concerns regarding noise, and in response, the ramps were altered, which staff believed reduced the noise level by 50%.

Council Member Howard noted that this matter has been brought forward due to the expense of subsidizing a private outside company to operate the park and the resulting cost to users, which was thought to limit attendance. She felt that the best type of skate park was one that was supervised; however, she recognized the current situation and supported reopening the facility for those who wish to use it.

Interim City Attorney Schwabauer reported that the Health and Safety Code provides the potential for limited immunity if a governmental entity adopted an ordinance that makes certain requirements, such as the use of safety equipment. The limited immunity only applies to skateboarding parks, not to BMX parks, and it only applies to children over the age of 14. The ordinance and Health and Safety Code provide no liability protection for children under 14 who are injured at the skate park. He emphasized the importance of seeking insurance to cover the City's \$500,000 self-insured retention.

Kirk Evans, Risk Manager, stated that coverage for the first half million dollars (i.e. the City's deductible) is estimated at \$5,000 to \$15,000 per year. He confirmed that the California Joint Powers Risk Management Authority (CJPRMA) does insure skate parks.

Mr. Schwabauer stated that the \$500,000 policy, as well as the additional coverage the City has through CJPRMA, would cover anyone of any age who was injured in the skate park.

Police Captain Main stated that the park officer would handle most of the incidents at the park and when this individual was off duty the beat officer would assume the responsibility.

Tony Goehring, Interim Parks and Recreation Director, preferred that the skate park be supervised, but absent that possibility, he was in favor of opening the park to users on an unsupervised basis in order to allow the City's nearly \$500,000 investment in improvements and equipment to be utilized. He acknowledged that most cities have gone to no-fee, unsupervised skate parks. There have been some problems, and he recommended that the facility be watched carefully.

Council Member Land recalled that when the skate park was initially discussed, it was suggested that if it was not successful, the equipment be removed and the facility be converted to basketball courts.

In reply to Council Member Hitchcock, Mr. Evans stated that he had communicated with other cities that have skate parks and they reported that their loss histories were low.

PUBLIC COMMENTS:

- John Connelly stated that he reviewed the proposed ordinance with some of his neighbors and they are "fairly happy with it." He was disappointed that it did not address the noise issue that residents have complained about repeatedly. He recalled that an agreement that was signed in January 2002 stipulated that an environmental reading of the noise level would be done within one year and it has not yet occurred. He asked that the park not be opened until the noise issue is resolved.
- Jason Wilkins stated that he lives across the street from Kofu Park and supported staff's recommendation. He was familiar with unsupervised skate parks in other cities and found them to be successful. He suggested that donations be sought from businesses for advertising in an effort to cover the cost of insurance. In addition, he recommended the use of volunteers to operate the snack bar.

Mr. Schwabauer recommended the following amendments to Ordinance 1748, to which Council concurred:

- Section 1, 12.12.310, (15), No person shall enter or remain in or upon the skate park premises **while closed as determined by the Parks and Recreation Department or** between the hours of 9:00 p.m. and **10:00 a.m.**
- Section 1, 12.12.320, Violations, A, Every act prohibited or declared unlawful and every failure to perform an act made mandatory by this Chapter shall be prosecuted as a misdemeanor **for violations of 12.12.310 A (9) and A (15) or an infraction for violations of 12.12.310 A (1) through (8) and A (10) through A (14)** as provided in Section 1.08.010 of this Code.

In response to Mr. Connelly's earlier comments, Mr. Schwabauer explained that the noise report was not able to be performed because the settlement agreement with Citizens for a Quiet Kofu Park required that the sound study be done both during special events and during regular events so it would show the true effects on the community. Since that time there have not been any special events at the park. Mr. Schwabauer reported that he spoke with counsel for and a representative of the Citizens group, and both agreed that it did not make sense to do the study until the conditions warranted it. Because the park will no have special events, he suggested that the settlement agreement be amended to allow its intent to be effectuated.

Council Member Hitchcock commented that most of the schools in Lodi Unified School District would be on a modified traditional schedule within two years and suggested that the park not be open during school hours.

MOTION / VOTE:

The City Council, on motion of Council Member Hitchcock, Beckman second, unanimously introduced Ordinance No. 1748 entitled, "An Ordinance of the City Council of the City of Lodi Amending Lodi Municipal Code Chapter 12.12 – Parks – by Adding Article IV, 'Skate Parks,' Relating to Skate Park Regulations," as amended with regard to hours of operation and violations, and authorized the purchase of additional insurance up to \$15,000.

VOTE TO CONTINUE WITH THE REMAINDER OF THE MEETING

The City Council, on motion of Council Member Hitchcock, Hansen second, unanimously voted to continue with the remainder of the meeting following the 11:00 p.m. hour.

I. REGULAR CALENDAR (Continued)

- I-8 "Introduce ordinance amending Title 10, Chapter 10.44, 'Stopping, Standing, and Parking,' by adding section 10.44.170 related to disabled parking regulations"

Police Captain Main reported that a new law was passed by the California legislature this year that would allow an assessment of an additional \$100 to disabled parking violations. There are restrictions that require the City to utilize the money for the purpose of enforcing parking-type violations related to disabled vehicles only. The Police Department anticipated that \$40,000 in revenue would be raised, as approximately 400 handicap parking violations are issued each year. He stated that a press release would be published to notify the public.

MOTION / VOTE:

The City Council, on motion of Mayor Hansen, Beckman second, unanimously introduced Ordinance No. 1749 entitled, "An Ordinance of the City Council of the City of Lodi Amending Title 10, Chapter 10.44, 'Stopping, Standing, and Parking,' by Adding Section 10.44.170 Related to Disabled Parking Regulations."

- I-9 "Discussion and possible action regarding a proposed City of Lodi Code of Ethics and Values"

Deputy City Manager Keeter reported that a Code of Ethics and Values has been submitted by Pastor Dale Edwards for Council adoption. She read the eight core values: ethical, professional, service oriented, fiscally responsible, organized, communicative, collaborative, and progressive.

Pastor Edwards commented that some of the challenges Council faces are inherent in its responsibilities. Council Members are individuals and bring to the table a variety of views, history, background, and expertise. Management styles, e.g. macro- and micro-management, can create conflicting views. Pastor Edwards stated that his concern was to find a remedy and lay a track for future discussion and direction for Council, which he believed the Code of Ethics and Values would help to do. He noted that the Code came from the City of Santa Clara and was amended for the City of Lodi, for Council, City employees, and entities that work within the municipal government structure.

Council Member Howard thanked Pastor Edwards for the time he had given to Council individually and collectively. She saw the Code of Ethics and Values as not only beneficial to Council at this time, but also for future Council Members as it would provide them with something to work toward, stand upon, and hold on to. She believed it would have long-lasting benefits.

In reply to Mayor Pro Tempore Beckman, Pastor Edwards stated that requirements of the Brown Act cause a challenge for conducting effective team-building sessions with Council. In the team-building process, nuances and dynamics of individual personalities and backgrounds are brought out and he did not wish to subject Council Members to that type of scrutiny in a public forum. He did not see how to accomplish Council team-building sessions in a manner that did not raise more challenges than it solved and expressed hope that the individual efforts he made had been beneficial.

Interim City Attorney Schwabauer suggested that item 1, f), be amended to, "I show respect for persons, confidences, and information designated as confidential **to the extent permitted by California law**," to which Council concurred.

Mayor Hansen noted that the Code as written also applies to city employees, volunteers, and others who participate and questioned whether it could be imposed on them. He pointed out that the Police Department has a Code of Ethics that may or may not totally parallel to this.

PUBLIC COMMENTS:

- Judy Steinke, Business Agent for American Federation of State, County, and Municipal Employees, representing the General Service workers and Maintenance & Operators unit, asked what would happen if the Code was applied to City employees and a supervisor felt that they were not living up to the expectations.

Council Member Howard recalled that this came about as an effort to help with team building that was breaking down primarily at the level of the Council and Council to appointees. She suggested that a sentence in the preamble to the Code be amended to, "All elected and appointed officials, ~~City employees, volunteers, and other who participate in the City's government~~ are required to subscribe to this Code..." to which Council concurred.

MOTION / VOTE:

The City Council, on motion of Mayor Pro Tempore Beckman, Land second, unanimously adopted Resolution No. 2004-115 approving the City of Lodi Code of Ethics and Values, as amended.

I-6 "Introduction of draft fiscal year 2004-05 Financial Plan and Budget"

Finance Director Krueger submitted the draft budget (filed) and stated that it would be discussed in detail during upcoming Shirtsleeve Sessions.

City Manager Flynn reported that the draft budget includes the following:

- No layoffs
- No furloughs
- No salary reductions
- Extension of the Voluntary Time Off program
- Recommendation to explore a medical insurance cap
- Recommendation to explore a two-tier retirement plan or other alternative
- Increase hiring freeze to 28 positions
- Will review citywide contracts for cost savings, to include: highway signs, services for landscaping, tree trimming, consultants, etc.
- Recommendation to suspend General Fund Capital projects for two years

Deputy City Manager Keeter reviewed the budget calendar. On May 19, the City Manager's Budget Advisory Committee recommendations and City Manager's recommendations were presented to Council. The draft budget released tonight includes policies, debt service, fund balance, revenues by major source, interfund transfers, personnel staffing, and a summary of significant expenditure requests. The appropriations limit will be in the final budget presented to Council for adoption at the June 30 Special City Council meeting.

Discussion ensued regarding Council Members schedules, following which it was agreed *not* to schedule a Special Meeting on June 30 and instead to consider adoption of the 2004-05 Financial Plan and Budget at the regularly scheduled meeting of July 21, 2004.

MOTION / VOTE:

There was no Council action taken on this matter.

J. ORDINANCES

None.

K. ADJOURNMENT TO AGENCY MEETINGS

K-1 "Meeting of the Lodi Public Improvement Corporation"

At 11:48 p.m., Mayor Hansen adjourned the City Council meeting to conduct the meeting of the Lodi Public Improvement Corporation. Following the call to order, Secretary Blackston recorded roll.

MOTION / VOTE:

The Corporation, on motion of Director Land, Beckman second, unanimously adopted Resolution No. LPIC2004-02 electing the new officers to the Lodi Public Improvement Corporation for the year 2004.

There being no further business, the meeting was adjourned at 11:48 p.m.

K-2 "Meeting of the Industrial Development Authority"

At 11:49 p.m., Chairperson Hansen called to order the meeting of the Industrial Development Authority, and Secretary Blackston recorded roll.

MOTION / VOTE:

The Authority, on motion of Authorizing Member Beckman, Land second, unanimously adopted Resolution No. IDA-25 electing the new officers to the Industrial Development Authority for the year 2004.

There being no further business, the meeting was adjourned at 11:49 p.m.

K-3 "Meeting of the Lodi Financing Corporation"

At 11:50 p.m., President Hansen called to order the meeting of the Lodi Financing Corporation, and Secretary Blackston recorded roll.

MOTION / VOTE:

The Corporation, on motion of Director Beckman, Hansen second, unanimously adopted the following resolutions:

- Resolution No. LFC-11 electing the new officers to the Lodi Financing Corporation for the year 2004; and
- Resolution No. LFC-12 approving the retention of Folger, Levin & Kahn as outside counsel for the Environmental Abatement Program litigation and approving the waiving of the joint representation conflict.

There being no further business, the meeting was adjourned at 11:50 p.m.

K-4 "Meeting of the City of Lodi Redevelopment Agency"

At 11:51 p.m., Chairperson Hansen called to order the meeting of the City of Lodi Redevelopment Agency, and Secretary Blackston recorded roll.

MOTION / VOTE:

The Agency, on motion of Member Hansen, Beckman second, unanimously adopted Resolution No. RDA2004-01 electing the new officers to the City of Lodi Redevelopment Agency for the year 2004 and waiving compensation for the June 2, 2004, meeting.

There being no further business, the meeting was adjourned at 11:51 p.m.

Mayor Hansen reconvened the City Council meeting at 11:51 p.m.

L. COMMENTS BY CITY COUNCIL MEMBERS ON NON-AGENDA ITEMS

- Council Member Howard recently attended a dinner at Elkhorn Country Club, at which she presented a certificate of recognition to the Lodi Kiwanis Club who celebrated its 60th anniversary in May.
- Mayor Hansen commented that yesterday he attended the celebration for A&W Root Beer's 85th anniversary. He learned that A&W is the oldest franchise in the history of the country. A&W root beer was sold for the first time in 1919 at a parade held in Lodi for World War I veterans.
- At the request of Mayor Hansen, Council Member Howard reported that the San Joaquin Council of Governments (SJCOG) addressed the Measure K renewal issue at its meeting a week ago. The Measure K renewal measure will not take place this year, but instead is planned to be placed on the November 2006 ballot. The main reason for postponing the renewal effort was that the city of Stockton had taken the position that it would not support the proposed renewal as it stood. The needed number of votes is based on city population, as well as city representation on the SJCOG Board. Consequently the Board would not be able to get enough votes from the public in order to pass the renewal without the support of the city of Stockton. The new timeline will allow an opportunity for each city to review the expenditure plan, consider the regional transportation impact fee, and for Stockton to provide a formal presentation about its request to change the voting governance of the SJCOG Board.

Continued June 2, 2004

- Mayor Hansen announced that on Saturday at Lodi High School a fundraiser for cancer research would be held and on Sunday at Lodi Lake the annual "Jog A Dog" fundraiser for Animal Friends Connection would be held. Mayor Hansen stated that he would like to meet with Council Member Hitchcock, Public Works Director Prima, and representatives from the city of Galt next week to discuss the issue of shared transit funding.

M. COMMENTS BY THE CITY MANAGER ON NON-AGENDA ITEMS

- City Manager Flynn announced that City Clerk Blackston's birthday is on June 12.

N. ADJOURNMENT

There being no further business to come before the City Council, the meeting was adjourned at 11:57 p.m.

ATTEST:

Susan J. Blackston
City Clerk

**CITY OF LODI
INFORMAL INFORMATIONAL MEETING
"SHIRTSLEEVE" SESSION
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, JUNE 8, 2004**

An Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was held Tuesday, June 8, 2004, commencing at 7:51 a.m.

A. ROLL CALL

Present: Council Members – Beckman, Hitchcock, Howard, and Mayor Hansen

Absent: Council Members – Land

Also Present: City Manager Flynn, Interim City Attorney Schwabauer, and City Clerk Blackston

B. CITY COUNCIL CALENDAR UPDATE

City Clerk Blackston reviewed the weekly calendar (filed).

C. TOPIC(S)

C-1 "Review draft fiscal year 2004-05 Financial Plan and Budget"

Deputy City Manager Keeter reviewed the following information as presented in the draft 2004-05 (2nd Year of Two Year) Financial Plan and Budget (filed):

- Page 3, added language under: Item G, Failure to Adopt Budget, (2) Require staff to obtain prior approval for the expenditure (disbursement) of materials and services in excess of \$5,000 per contract or purchase order;
- Page 3, added Item H, Public Record, which notes that the budget document is available on the City's Web site, the library, Finance Department, and Carnegie Forum;
- Page 4, added language under: Recreation and Community Center Fees, A, 1, Cost recovery for activities directed to adults should be relatively high if not at 100% of cost;
- Page 5, corrected typographical error under: Other Fees and Rates, B, 2, changed "date" to "data" processing;
- Page 6, updated the date under the heading of Revenue to reflect the year 2004-05; and
- Page 7, added language under: Enterprise Fund Allocations to the General Fund, D, 2, These taxes will be levied based on prior year revenues as follows with changes in future years to coincide with the water/wastewater rate increases approved in April 2004; additions to the table were added indicating in-lieu of tax – Electric 2005-06 12%, 2006-07 12%; Water 2005-06 9%, 2006-07 9%; and Wastewater 2004-05 9%, 2005-06 11%, and 2006-07 9%, which Ms. Keeter noted was a typographical error and would be changed to 12%.

Public Works Director Prima reminded Council that it approved two stepped rate increases for Wastewater. He explained that the calculation is made on revenue for the prior year. In the current fiscal year there is not an increase in revenue. Next year when the calculations are done, staff will use the 12% amount on this year's revenue. The following year (when the calculation is done on next year's revenue) it will be reduced to 9% in Water. In Wastewater because there were two increases, a different calculation will be used.

- Page 8, added language under: Fund Balance Designations and Reserves, A, The City should maintain fund balances of at least 15% (if financially feasible within the constraints of available resources) of operating expenditures in the General Fund as well as the Electric, Wastewater, and Water Funds.

Mayor Pro Tempore Beckman asked that staff inform Council whenever the fund balances are below 15%.

Following discussion, it was agreed to change the language to: The City will maintain fund balances of at least 15% if financially feasible.

- Page 9, added language under item F: Accordingly, contract employees will not be used for services that are anticipated to be delivered on an ongoing basis, unless the City is experiencing economic uncertainties with the possibility of layoffs. Under such circumstances the contract positions may be extended as necessary to keep in check the number of permanent positions.

Ms. Keeter noted the goal is to evaluate the services that a contract employee is performing after two years and convert them to full-time permanent if it is justified, or the City Manager could extend the contract position for an additional two years. She reported that the City currently has employees who have been in a contract positions for more than four years; however, due to economic uncertainties, conversion to full-time permanent status would not be prudent at this time.

Council Member Hitchcock recalled a recent newspaper article regarding the shifting of seven positions from Finance to the Electric Utility budget, which is separate from the General fund and thereby creates a savings in the General Fund of \$350,000 in salary and benefits. In addition, she pointed out that the bargaining unit for Electric Utility is more expensive than Finance.

City Manager Flynn replied that the article was inaccurate. He stated that it was merely a matter of shifting the supervision of these employees and their bargaining unit would remain the same.

D. COMMENTS BY THE PUBLIC ON NON-AGENDA ITEMS

None.

E. ADJOURNMENT

No action was taken by the City Council. The meeting was adjourned at 8:17 a.m.

ATTEST:

Susan J. Blackston
City Clerk

**LODI CITY COUNCIL
SPECIAL CITY COUNCIL MEETING
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, JUNE 8, 2004**

A. CALL TO ORDER / ROLL CALL

The Special City Council meeting of June 8, 2004, was called to order by Mayor Hansen at 7:04 a.m.

Present: Council Members – Beckman, Hitchcock, Howard, Land, and Mayor Hansen

Absent: Council Members – None

Also Present: City Manager Flynn, Interim City Attorney Schwabauer, and City Clerk Blackston

URGENCY CLOSED SESSION ITEM ADDED TO THE AGENDA

Pursuant to Government Code §54954.2(b)2, the legislative body may take action on items of business not appearing on the posted agenda upon a determination by a two-thirds vote that there is a need to take immediate action and that the need for action came to the attention of the local agency subsequent to the agenda being posted. Prior to discussion, City Manager Flynn publicly identified the item below:

- Request to declare June 11, 2004 as a day of remembrance for former President Reagan

MOTION / VOTE:

The City Council, on motion of Mayor Pro Tempore Beckman, Hansen second, unanimously determined that there was a need to take immediate action on the above item and that the need for action came to the attention of the City subsequent to the June 8, 2004 agenda being posted.

DISCUSSION:

City Manager Flynn reported that a declaration by the Governor's Office was received late yesterday afternoon designating Friday, June 11, 2004, as a day of remembrance for former President Reagan who passed away on June 5. He suggested that Council also allow the City to recognize Friday as a day of remembrance and that the City organize a memorial service to be held at the Veterans' Plaza. He read Governor Schwarzenegger's declaration:

By virtue of the power vested in me by law I do hereby declare Friday, June 11, 2004, a day of remembrance of the extraordinary life of President Reagan; and permit state executive branch employees to observe this day in an appropriate way of their choosing; I have authorized executive branch employees eight hours of informal time off, June 11, 2004, consistent with the Government Code except for a core number of employees who are required to respond to emergencies and maintain necessary services to the public; employees who are required to work on this day will receive eight hours of informal time off to be taken at a later date.

Council Member Hitchcock asked whether there would be a cost to the City, other than services not being provided to the public on Friday.

Mr. Flynn acknowledged that there would be lost opportunity in terms of providing services that day; however, emergency personnel would work as normally required. He confirmed that the City would not be paying overtime to employees scheduled to work on Friday, June 11.

MOTION / VOTE:

The City Council, on motion of Council Member Beckman, Hansen second, unanimously declared June 11, 2004, as a day of remembrance for former President Reagan and directed City Manager Flynn to arrange for a memorial service to be held at the All Veterans Plaza.

PUBLIC COMMENTS:

- Myrna Wetzel suggested that a guest book be available for the public to sign at the ceremony on June 11, to which Council agreed.

URGENCY CLOSED SESSION ITEM ADDED TO THE AGENDA

Pursuant to Government Code §54954.2(b)2, the legislative body may take action on items of business not appearing on the posted agenda upon a determination by a two-thirds vote that there is a need to take immediate action and that the need for action came to the attention of the local agency subsequent to the agenda being posted. Prior to discussion, City Clerk Blackston publicly identified the item below:

- Request for direction related to processing the Large-Scale Retail Initiative Petition submitted on June 7, 2004

MOTION / VOTE:

The City Council, on motion of Council Member Land, Beckman second, unanimously determined that there was a need to take immediate action on the above item and that the need for action came to the attention of the City subsequent to the June 8, 2004, agenda being posted.

DISCUSSION:

City Clerk Blackston reported that the petition for the Large-Scale Retail initiative was filed on June 7 at 10:00 a.m. The prima facie check had been completed and it appeared that there were 3,450 signatures on the petition. She explained that the Elections Code allows for the County Registrar of Voters to conduct a random sampling verification process, wherein a certain number of signatures are selected to verify. If the statistical sampling shows that the number of valid signatures is within 95 to 110 percent of the number of signatures of qualified voters needed to declare the petition sufficient, the Registrar must verify each signature filed; otherwise, certification of sufficiency would be made upon the random sampling results only. Ms. Blackston noted that Council does have an option to direct the Registrar to verify every signature initially, rather than allowing the random sampling process to go forward. She reported that the petition would be delivered to the Registrar this morning and asked Council for direction.

Mayor Pro Tempore Beckman asked whether a greater delay would be caused if the Registrar conducted the random sampling process and then discovered that every signature needed to be verified.

Ms. Blackston replied that the delay would not be a significant amount of time.

Council Member Land stated that he did not want to put the Small City Preservation Committee through a more stringent process than what is normally done.

MOTION / VOTE:

The City Council, on motion of Council Member Beckman, Land second, unanimously directed the San Joaquin County Registrar of Voters to implement the random sampling process on the Large-Scale Retail Initiative petition.

B. CLOSED SESSION

At 7:15 a.m., Mayor Hansen adjourned the Special City Council meeting to a Closed Session to discuss the following matters:

- B-1 Actual Litigation: Government Code §54956.9(a); one case; *People v. Randtron* (Third District Court of Appeal, docket No. 3 Civ. C037445)
- B-2 Actual Litigation: Government Code §54956.9(a); one case; *People v. Randtron* (Third District Court of Appeal, docket No. 3 Civ. C038921)
- B-3 Actual Litigation: Government Code §54956.9(a); one case; *City of Lodi, a California Municipal Corporation, and Lodi Financing Corporation, a California nonprofit corporation v. Lehman Brothers, Inc. and US Bank National Association*, United States District Court, Eastern District of California, Case No. CIV. S-04-0606 MCE-KJM

The Closed Session adjourned at 7:50 a.m.

C. RETURN TO OPEN SESSION / DISCLOSURE OF ACTION

At 7:50 a.m., Mayor Hansen reconvened the Special City Council meeting, and Interim City Attorney Schwabauer disclosed the following.

In regard to Items B-1 and B-2, the Council voted 5-0 to reconsider its decision made last week to file an appeal in the Randtron case; further Council voted 5-0 *not* to pursue an appeal in the case.

In regard to Item B-3, no reportable action was taken in closed session.

D. ADJOURNMENT

There being no further business to come before the City Council, the meeting was adjourned at 7:50 a.m.

ATTEST:

Susan J. Blackston
City Clerk

LODI CITY COUNCIL
ADJOURNED SPECIAL CITY COUNCIL MEETING
CARNEGIE FORUM, 305 WEST PINE STREET
FRIDAY, JUNE 11, 2004
Adjourned from Monday, June 7, 2004

A. CALL TO ORDER / ROLL CALL

The Adjourned Special City Council meeting of June 11, 2004 (*adjourned from Monday, June 7, 2004*), was called to order by Mayor Hansen at 8:37 a.m.

Present: Council Members – Beckman, Hitchcock, Howard, Land, and Mayor Hansen

Absent: Council Members – None

Also Present: Interim City Attorney Schwabauer and City Clerk Blackston.

B. CLOSED SESSION

At 8:37 a.m., Mayor Hansen adjourned the Special City Council meeting to a Closed Session to discuss the following matter:

- a) Public employment – Council Appointee – Job Title, City Attorney – pursuant to Government Code §54957

The Closed Session adjourned at 9:02 a.m.

C. RETURN TO OPEN SESSION / DISCLOSURE OF ACTION

At 9:03 a.m., Mayor Hansen reconvened the Special City Council meeting and disclosed that Council voted 5-0 to appoint D. Stephen Schwabauer as City Attorney effective upon execution of a contract.

D. ADJOURNMENT

There being no further business to come before the City Council, the meeting was adjourned at 9:03 a.m.

ATTEST:

Susan J. Blackston
City Clerk



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution Authorizing the Purchase of JWalk Software for use with Orcom ECIS System from Alliance Data Systems Corp., of Dallas, Texas (\$11,000) (ISD\EUD)

MEETING DATE: July 7, 2004

PREPARED BY: Information Systems Manager

RECOMMENDED ACTION: That the City Council adopt a resolution authorizing the purchase of JWalk software for use with Orcom ECIS billing system from Alliance Data System Corp., of Dallas, Texas, in the amount of \$11,000.

BACKGROUND INFORMATION: The City's utility billing is produced by the Orcom ECIS system. The system is critical to generating bills and maintaining customer information. Users of the Orcom system currently have Seagull GUI\400 software installed on their workstations. This is the graphical user interface. This software is no longer supported by Orcom. The system now requires JWalk software to operate properly.

Purchase and installation of the JWalk replacement software is not an option if the City intends to continue using the Orcom billing system. The City cannot install or use future versions of the billing system without the new software. There is no suitable alternative to purchasing the software.

JWalk requires a server license costing \$8,000. In addition, there is a \$3,000 installation fee charged by Orcom, for a total of \$11,000, or less. The software is only available through Alliance Data Systems Corp. Staff is therefore recommending Alliance Data Systems Corp. as the sole supplier of this product.

FUNDING: Electric Utility Department 161001.1836.1700 (\$11,000)

James R. Krueger, Finance Director

Alan N. Vallow
Electric Utility Director

Stephen J. Mann
Information Systems Manager

APPROVED: _____
H. Dixon Flynn, City Manager

RESOLUTION NO. 2004-_____

A RESOLUTION OF THE LODI CITY COUNCIL
AUTHORIZING PURCHASE OF JWALK
SOFTWARE FOR USE WITH
ORCOM ECIS SYSTEM

=====

WHEREAS, Lodi Municipal Code §3.20.070 authorizes dispensing with bids for purchases of supplies, services, or equipment when it is in the best interest of the City to do so; and

WHEREAS, users of the City's Orcom billing system currently have Seagull GUI/400 software installed on their workstations, which is a graphical user interface; and

WHEREAS, this software is no longer supported by Orcom, and now requires JWALK software to operate properly; and

WHEREAS, the City cannot install or use future versions of the billing system without the JWALK GUI interface; and

WHEREAS, staff recommends that the City Council authorize the purchase of the JWALK software for use with Orcom ECIS billing system from the sole provider, Alliance Data System Corp., of Dallas, Texas in the amount of \$11,000 (JWALK server license \$8,000 and Orcom Installation Fee \$3,000).

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby approve the purchase of the JWALK software for use with Orcom ECIS billing system from the sole provider, Alliance Data System Corp., of Dallas, Texas in the amount of \$11,000 (JWALK server license \$8,000 and Orcom Installation Fee \$3,000).

Dated: July 7, 2004

=====

I hereby certify that Resolution No. 2004-_____ was passed and adopted by the Lodi City Council in a regular meeting held July 7, 2004, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

SUSAN J. BLACKSTON
City Clerk

2004-_____



CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE: Adopt resolution awarding the contract for installation of streetlights on Streetlight Completion Project, Phase IV, to Golden State Utility Company (\$746,528.10) (EUD)

MEETING DATE: July 7, 2004

SUBMITTED BY: Electric Utility Director

RECOMMENDED ACTION: That the City Council adopt a resolution awarding the contract for installation of streetlights on Streetlight Completion Project, Phase IV, to the low bidder, Golden State Utility Company, Turlock, CA. in the amount of \$746,528.10.

BACKGROUND INFORMATION: The City Council at the special meeting of May 11, 2004, approved the plans and specifications, authorized advertisement for bids and authorized the transfer of funds for Phase IV of the Streetlight Completion Project.

On June 15, 2004, twelve bids were received and opened for the project. The bid results are tabulated below:

BIDDER	AMOUNT
Golden State Utility Company, Turlock, CA	\$746,528.10
Clayborn Contracting Group, Inc., Auburn, CA	789,739.50
Pacific Excavation Inc., Elk Grove, CA	840,642.00
B H Cable, Sacramento, CA	854,483.00
St. Francis Electric, San Leandro, CA	912,786.50
Henkels & McCoy, Manteca, CA	986,736.64
W Bradley Electric, Navato, CA	997,754.00
Steiny and Company, Inc., Vallejo, CA	1,059,275.75
Collins Electric Company, Inc., Stockton, CA	1,135,732.00
Underground Construction Company, Inc., Benicia, CA	1,181,460.75
Interstate Construction, Rancho Cordova, CA	1,449,571.67
Richard Heaps Electrical Contractor, Inc., Sacramento, CA	1,454,751.50

This project, Phase IV, will install 292 streetlights in various areas throughout the City. The contractor will install 267 lights (109 on steel standards and 158 on City furnished concrete standards). City forces will install the balance of 25 streetlights on existing wood utility poles.

It is estimated that the Streetlight Completion Project, when completed, will have installed 1,000 - 1,200 lights over a period of 3 - 5 years. A total of 722 lights will have been installed when Phase IV is completed.

APPROVED: _____
H. Dixon Flynn, City Manager

Adopt resolution awarding the contract for installation of streetlights on Streetlight Completion Project Phase IV to Golden State Utility Company (\$746,528.10) (EUD).
July 7, 2004
Page 2

FUNDING: 2003-04 Financial Plan and Budget, Business unit # 161672 (Page E-44)

Funding Approval:

Jim Krueger
Finance Director

Alan N. Vallow
Electric Utility Director

Prepared by: Hans Hansen, Manager, Engineering and Operations

ANV/
c: City Attorney
Public Works Director
Purchasing Officer
Electrical Estimator (JS)
file

A RESOLUTION OF THE LODI CITY COUNCIL AWARDING THE
CONTRACT FOR INSTALLATION OF STREETLIGHTS UNDER
STREETLIGHT COMPLETION PROJECT PHASE IV

WHEREAS, in answer to notice duly published in accordance with law and the order of this City Council sealed bids were received and publicly opened June 15, 2004 at 11:00 a.m. for installation of streetlights under Streetlight Completion Project Phase IV, described in the specifications therefore approved by the City Council on May 11, 2004; and

WHEREAS, said bids have been compared, checked, and tabulated and a report thereof filed with the City Manager as follows:

BIDDER	AMOUNT
Golden State Utility Company, Turlock, CA	\$746,528.10
Clayborn Contracting Group, Inc., Auburn, CA	789,739.50
Pacific Excavation Inc., Elk Grove, CA	840,642.00
B H Cable, Sacramento, CA	854,483.00
St. Francis Electric, San Leandro, CA	912,786.50
Henkels & McCoy, Manteca, CA	986,736.64
W Bradley Electric, Navato, CA	997,754.00
Steiny and Company, Inc., Vallejo, CA	1,059,275.75
Collins Electric Company, Inc., Stockton, CA	1,135,732.00
Underground Construction Company, Inc., Benicia, CA	1,181,460.75
Interstate Construction, Rancho Cordova, CA	1,449,571.67
Richard Heaps Electrical Contractor, Inc., Sacramento, CA	1,454,751.50

WHEREAS, the City Manager recommends awarding the contract for the installation of streetlights under Streetlight Completion Project Phase IV, to Golden State Utility Company, of Turlock, California.

NOW, THEREFORE, BE IT RESOLVED, that the Lodi City Council does hereby award the contract for the installation of streetlights under Streetlight Completion Project Phase IV, to Golden State Utility Company, of Turlock, California, in the amount of \$746,528.10

Dated: July 7, 2004

I hereby certify that Resolution No. 2004-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held July 7, 2004, by the following vote:

AYES: COUNCIL MEMBERS –
NOES: COUNCIL MEMBERS –
ABSENT: COUNCIL MEMBERS –
ABSTAIN: COUNCIL MEMBERS –

SUSAN J. BLACKSTON
City Clerk



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution Awarding the Contract for Rental and Cleaning of Safety Clothing for the Electric Utility Department (\$7,774) (EUD)

MEETING DATE: July 7, 2004

PREPARED BY: Electric Utility Director

RECOMMENDED ACTION: That the City Council adopt the attached resolution awarding the contract for rental and cleaning of Safety Clothing to the low bidder Cintas Corporation, 1231 National Dr., Sacramento, CA, 95834 in the approximate amount of \$7,774. annually.

BACKGROUND INFORMATION: On April 21, 2004, the City Council approved the specifications and authorized advertisement for bids on the rental and cleaning of safety clothing. Bid forms were sent to seven suppliers. Two bids were submitted and opened on May 12, 2004.

1. Cintas Corporation, 1231 National Dr., Sacramento, CA, 95834
2. Prudential Overall Supply, 545 Jefferson Blvd, West Sacramento, CA 95605

Bid evaluations are based on 26 employees, weekly change and cleaning of five shirts for 50 weeks. Uniform service will not provide denim jean pants at this time.

	<u>Cintas Corporation</u>	<u>Prudential Overall Supply.</u>
Rental and Cleaning of Shirts:	\$7,774.	\$8,125.

The supplying of safety clothing will put the City of Lodi Electric Utility Department in compliance with Fed OSHA and Cal OSHA regulations that require employees working on or near energized electric equipment to wear clothing that will not ignite and continue to burn when exposed to an electric arc. The \$7,774.00 annual amount has been estimated. The exact amount will be determined by the number of safety clothing units rented and turned in each week for cleaning.

FUNDING: Electric Utility Construction and Maintenance Division operating fund
Estimated annual cost of contract \$ 7,774.00

Funding Available: _____
Jim Krueger, Finance Director

Alan N. Vallow, Electric Utility Director

PREPARED BY: Carl Lindstrom, Electric Utility Superintendent
ANV/CL/ke

APPROVED: _____
H. Dixon Flynn, City Manager

RESOLUTION NO. 2004-_____

A RESOLUTION OF THE LODI CITY COUNCIL AWARDING THE
CONTRACT FOR RENTAL AND CLEANING OF SAFETY
CLOTHING FOR THE ELECTRIC UTILITY DEPARTMENT

=====

WHEREAS, in answer to notice duly published in accordance with law and the order of this City Council sealed bids were received and publicly opened May 12, 2004, at 11:00 a.m., for rental and cleaning of safety clothing for the Electric Utility Department, as described in the specifications therefore approved by the City Council on April 21, 2004; and

WHEREAS, said bids have been compared, checked, and tabulated and a report thereof filed with the City Manager as follows:

BIDDER	AMOUNT
Cintas Corporation, Sacramento, CA	\$7,774.00
Prudential Overall Supply, West Sacramento, CA	\$8,125.00

WHEREAS, the City Manager recommends awarding the contract for the rental and cleaning of safety clothing for the Electric Utility Department, to Cintas Corporation, of Sacramento, California.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby award the contract for the rental and cleaning of safety clothing for the Electric Utility Department to Cintas Corporation, of Sacramento, California, in the amount of \$7,774.00.

Dated: July 7, 2004

=====

I hereby certify that Resolution No. 2004-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held July 7, 2004, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

SUSAN J. BLACKSTON
City Clerk

2004-_____



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Accept Improvements under Contract for Lodi Parks & Recreation Lighting Retrofit Project, 111 North Stockton Street

MEETING DATE: July 7, 2004

PREPARED BY: Parks and Recreation Director

RECOMMENDED ACTION: That the City Council accepts the improvements under contract for the Lodi Parks and Recreation Lighting Retrofit Project, 111 North Stockton Street contract.

BACKGROUND INFORMATION: The project was awarded to Eagle Electric, of Auburn, on April 7, 2004, in the amount of \$14,675.00. The contract has been completed in substantial conformance with the plans and specifications approved by the City Council.

The contract completion date was June 1, 2004. The final contract price was \$14,675.00. The work consisted of retrofitting two commercial suites owned and maintained by the City of Lodi inside the Parks and Recreation Annex Building. The two suites are currently occupied by Mojica's Batting Cages and Jazzercise of Lodi.

FUNDING: 164605 - Public Benefits - \$7,945.00 (Category-Demand Side Management)
1212029 - Parks and Recreation Capital Improvement Funds - \$6,730.00

Contract Amount: \$14,675.00

Funding Approval:

James R. Krueger, Finance Director

Tony Goehring
Parks & Recreation Director

Alan N. Vallow
Electric Utility Director

Prepared by: Steve Virrey, Parks Project Coordinator

TG/SV:tl

cc: Parks Superintendent
Parks & Recreation Management Analyst
Rob Lechner, Mgr., Customer Service Programs

APPROVED: _____
H. Dixon Flynn, City Manager



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Accept Improvements under Contract for English Oaks Common Park Shade Structure, 2184 Newbury Circle

MEETING DATE: July 7, 2004

PREPARED BY: Parks and Recreation Director

RECOMMENDED ACTION: That the City Council accepts the improvements under contract for the English Oaks Common Park Shade Structure, 2184 Newbury Circle contract.

BACKGROUND INFORMATION: The project was awarded to Diede Construction, of Woodbridge, on November 19, 2003, in the amount of \$32,281.23. The contract has been completed in substantial conformance with the plans and specifications approved by the City Council.

The contract completion date was June 18, 2004. The final contract price was \$32,281.23. Following acceptance by the City Council, the Parks Superintendent will file a Notice of Completion with the County Recorder's Office.

FUNDING: 2003 / 2004 Parks and Recreation Capital Improvement Funds \$35,000.00

Contract Amount: \$32,281.23

Funding Approval:

James R. Krueger, Finance Director

Tony Goehring
Parks and Recreation Director

Prepared by: Steve Virrey, Parks Project Coordinator

TG/SV:tl

cc: Joel Harris, Purchasing Officer
Sr. Civil Engineer Fujitani
Parks Superintendent
Parks & Recreation Management Analyst
PW Administrative Secretary

APPROVED: _____
H. Dixon Flynn, City Manager



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Accept Improvements Under Contract for Emerson Park Playground Improvements, 11 North Hutchins Street

MEETING DATE: July 7, 2004

PREPARED BY: Public Works Director

RECOMMENDED ACTION: That the City Council accept the improvements under the "Emerson Park Playground Improvements, 11 North Hutchins Street" contract.

BACKGROUND INFORMATION: The project was awarded to A.M. Stephens Construction Company, of Lodi, on December 3, 2003, in the amount of \$145,746.40. The contract has been completed in substantial conformance with the plans and specifications approved by the City Council.

The contract completion date was May 5, 2004, and the actual completion date was May 19, 2004. The final contract price was \$152,049.10. The difference between the contract amount and the final contract price is mainly due to a contract change order which increased the amount of sod that was placed and added another 406 square feet of pavers to the project.

Following acceptance by the City Council, the City Engineer will file a Notice of Completion with the County Recorder's office.

FUNDING: Budgeted Fund: Community Development Block Grant Fund
Contract Amount: \$152,049.10

James R. Krueger, Finance Director

Richard C. Prima, Jr.
Public Works Director

Prepared by Wesley K. Fujitani, Senior Civil Engineer
RCP/WKF/pmf
cc: Purchasing Officer
Parks Superintendent
Community Development Block Grant Coordinator

APPROVED: _____
H. Dixon Flynn, City Manager



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution Accepting Improvements in Hutchins Place, Tract No. 3258

MEETING DATE: July 7, 2004

PREPARED BY: Public Works Director

RECOMMENDED ACTION: That the City Council adopt a resolution accepting the development improvements for Hutchins Place, Tract No. 3258.

BACKGROUND INFORMATION: Improvements at Hutchins Place, Tract No. 3258 have been completed in substantial conformance with the requirements of the Improvement Agreement between the City of Lodi and Michael G. Collins and Deborah A. Collins, as Trustees of the Collins Family 1997 Revocable Trust, as approved by the City Council on August 6, 2003, and as shown on Drawings No. 002D096 through 002D098.

The streets to be accepted are as follows:

Streets	Length in Miles
Hutchins Street	0.00
Total New Miles of City Streets	0.00

FUNDING: Not applicable.

Richard C. Prima, Jr.
Public Works Director

Prepared by Wesley K. Fujitani, Senior Civil Engineer

RCP/WKF/pmf

cc: Interim City Attorney
Senior Civil Engineer - Development Services
Senior Traffic Engineer
Street Superintendent
Senior Engineering Technician – Design
Chief Building Inspector

APPROVED: _____
H. Dixon Flynn, City Manager

RESOLUTION NO. 2004-_____

A RESOLUTION OF THE LODI CITY COUNCIL
ACCEPTING DEVELOPMENT IMPROVEMENTS INCLUDED IN
THE IMPROVEMENT AGREEMENT FOR HUTCHINS PLACE,
TRACT NO. 3258

=====

The City Council of the City of Lodi finds:

1. That all requirements of the Improvement Agreement between the City of Lodi and Michael G. Collins and Deborah A. Collins, as Trustees of the Collins Family 1997 Revocable Trust, for the required improvements at Hutchins Place, Tract No. 3258, have been substantially complied with. The improvements are shown on Drawings No. 002D096 through 002D098 on file in the Public Works Department, and as specifically set forth in the plans and specifications approved by the City Council on August 6, 2003; and
2. The streets to be accepted are as follows:

Streets	Length in Miles
Hutchins Street	0.00
Total New Miles of City Streets	0.00

Dated: July 7, 2004

=====

I hereby certify that Resolution No. 2004-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held July 7, 2004, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

SUSAN J. BLACKSTON
City Clerk

2004-_____



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution Approving the Improvement Agreement and Water Rights Agreement for 847 North Cluff Avenue

MEETING DATE: July 7, 2004

PREPARED BY: Public Works Director

RECOMMENDED ACTION: That the City Council adopt a resolution approving the improvement agreement and water rights agreement for 847 North Cluff Avenue and direct the City Manager and City Clerk to execute the agreements on behalf of the City.

BACKGROUND INFORMATION: This project is located at the southwest corner of Turner Road and Cluff Avenue, as shown on Exhibit A. The project is zoned M-2 and consists of five subdivided lots.

In order to assist the City in providing an adequate water supply, the subject property is required as a condition of tentative map approval to enter into an agreement with the City that the City of Lodi be appointed as its agent for the exercise of any and all overlying water rights appurtenant to the proposed 847 North Cluff Avenue project, and that the City may charge fees for the delivery of such water in accordance with City rate policies. The agreement establishes conditions and covenants running with the land for all lots in the project and provides deed provisions to be included in each conveyance.

The developer of the project (Bedrock C & B Ptp. and Central Valley Bulk Transport, Inc.) has furnished the City with the improvement plans, necessary agreements, guarantees, insurance certificates, and fees for the proposed project.

FUNDING: Developer's funds

Richard C. Prima, Jr.
Public Works Director

Prepared by Lyman Chang, Associate Civil Engineer

RCP/LC/pmf

Attachment

cc: Bedrock C & B Ptp.
Senior Civil Engineer Fujitani
Associate Civil Engineer Chang

APPROVED: _____
H. Dixon Flynn, City Manager

RESOLUTION NO. 2004-_____

A RESOLUTION OF THE LODI CITY COUNCIL
APPROVING THE IMPROVEMENT AGREEMENT AND
WATER RIGHTS AGREEMENT FOR 847 NORTH CLUFF
AVENUE, AND FURTHER AUTHORIZING THE CITY
MANAGER TO EXECUTE AGREEMENTS ON BEHALF
OF THE CITY OF LODI

=====

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby approve the Improvement Agreement and Water Rights Agreement for 847 North Cluff Avenue, located at the southwest corner of Turner Road and Cluff Avenue, as shown on Exhibit A attached; and

BE IT FURTHER RESOLVED that the City Council hereby directs the City Manager and City Clerk to execute the Improvement Agreement and Water Rights Agreement on behalf of the City of Lodi.

Dated: July 7, 2004

=====

I hereby certify that Resolution No. 2004-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held July 7, 2004, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

SUSAN J. BLACKSTON
City Clerk

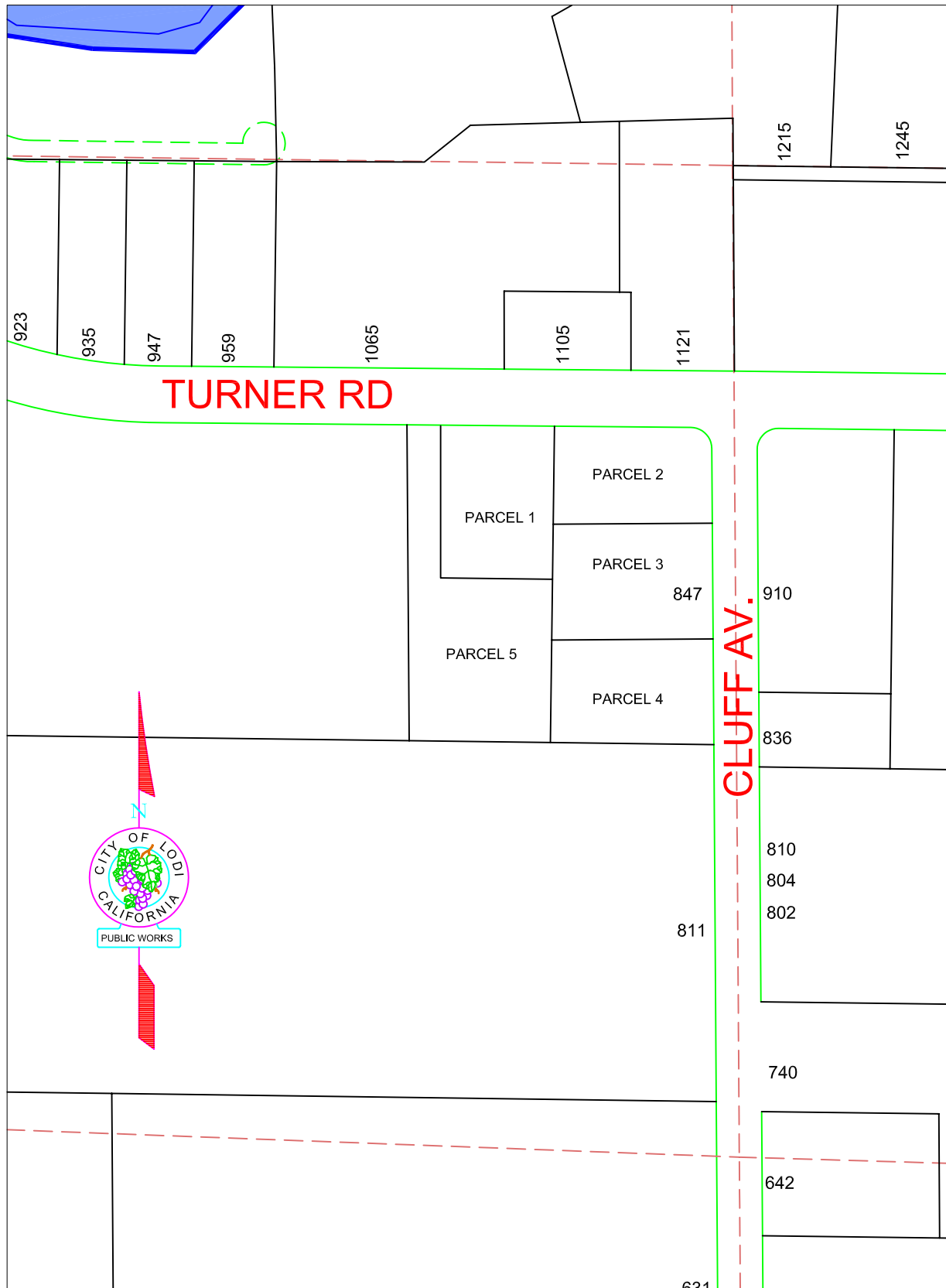
2004-_____



CITY OF LODI

PUBLIC WORKS DEPARTMENT

EXHIBIT A





CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Approve Improvement Deferral Agreement for 1400 Victor Road

MEETING DATE: July 7, 2004

PREPARED BY: Public Works Director

RECOMMENDED ACTION: That the City Council approve the Improvement Deferral Agreement for 1400 Victor Road and authorize the City Manager and City Clerk to execute the agreement on behalf of the City.

BACKGROUND INFORMATION: The owner, Dart Container Corporation of California, has submitted a building permit application to construct a warehouse addition on the subject property (see attached).

Installation of public improvements along the Pine Street street frontage are required as a condition of permit issuance in accordance with existing City ordinance and policies regarding off-site improvements as set forth in Title 15, Chapter 15.44 of the Lodi Municipal Code. Required improvements include the installation of curb, gutter, sidewalks, asphalt concrete pavement, fire hydrants, and street lights along the Pine Street right-of-way fronting the subject parcel. The owner is desirous of complying with existing City ordinances and policies regarding off-site improvements. However, since the owner is developing the portion of the subject parcel fronting Pine Street, the owner has requested that the required improvements on Pine Street be deferred. Based on past practice in similar situations, staff feels this is a reasonable request.

The owner has signed an Improvement Deferral Agreement and paid the necessary recording fees for the agreement. The agreement, in part, states that the owner will pay for and complete the design and installation of the required improvements at the time of development of that portion of subject property fronting Pine Street, or at the request of the City, whichever occurs first.

Staff recommends approval of the Improvement Deferral Agreement.

FUNDING: Developer's funds

Richard C. Prima, Jr.
Public Works Director

Prepared by Lyman Chang, Associate Civil Engineer
RCP/LC/pmf
Attachment
cc: Dart Container
Associate Civil Engineer Chang

APPROVED: _____
H. Dixon Flynn, City Manager



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Approve Improvement Agreement for Public Improvements of 715 South Guild Avenue (APN 049-250-68) and Appropriate Funds (\$2,440)

MEETING DATE: July 7, 2004

PREPARED BY: Public Works Director

RECOMMENDED ACTION: That the City Council approve the Improvement Agreement for the public improvements of 715 South Guild Avenue (APN 049-250-68), direct the City Manager and City Clerk to execute the Improvement Agreement on behalf of the City, and appropriate funds for applicable reimbursements.

BACKGROUND INFORMATION: The developers, Joseph C. Hohenrieder and Mary Clydene Hohenrieder, have applied to the City for issuance of a building permit (#B11544) to construct the Lustre Cal manufacturing facility at 715 South Guild Avenue. The project site is shown on Exhibit A.

Public improvements along the Industrial Way frontage of the project site are required as a condition of building permit issuance. The developers have requested that the building permit be issued prior to the completion of the required public improvements and have furnished the City with the improvement plans, necessary agreements, guarantees, insurance certificates, and fees for the improvements.

The developers are entitled to reimbursement by the City for the installation of excess width street pavement improvements in Industrial Way in conformance with LMC 15.64 Development Impact Mitigation Fees and 16.40 Reimbursements for Construction. Reimbursements will be made when the improvements are complete and accepted by the City.

FUNDING: IMF – Local Streets \$2,442

James R. Krueger, Finance Director

Richard C. Prima, Jr.
Public Works Director

Prepared by Lyman Chang, Associate Civil Engineer
RCP/LC/pmf
Attachment
cc: Joseph C. Hohenrieder
Senior Civil Engineer Fujitani
Baumbach & Piazza
Associate Civil Engineer Chang

APPROVED: _____
H. Dixon Flynn, City Manager



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution Authorizing the City Manager to Execute Amendments to the Current Measure K Environmental and Design and Construction Cooperative Agreements for the Lodi Central City Railroad Safety Project

MEETING DATE: July 7, 2004

PREPARED BY: Public Works Director

RECOMMENDED ACTION: That the City Council adopt a resolution authorizing the City Manager to execute amendments to the current Measure K Environmental and Design and Construction Cooperative Agreements for the Lodi Central City Railroad Safety Project.

BACKGROUND INFORMATION: On July 2, 2003, Council adopted a resolution authorizing the City Manager to execute a Memorandum of Understanding (MOU) between the City of Lodi and the Railroads. The amended MOU allows the Railroads to consider an alternative plan that includes rehabilitating the existing CCT short line between Lodi and Stockton.

On April 14, 2004, the City received written confirmation from the Railroads informing us of their decision to rehabilitate the CCT railroad between Stockton and Lodi. In addition to reducing the overall project cost to the City, the project will further enhance Central City railroad safety by eliminating all eastbound and westbound rail traffic between the UPRR mainline and the CCT mainline along the Kentucky House Branch/Lockeford Street corridor and, thereby, eliminating five (5) additional crossings.

Since rehabilitating the CCT does not include any City participation towards design, there are remaining Measure K funds available for removal of existing trackage and rehabilitation of crossings along the Kentucky House Branch/Lockeford Street corridor.

The improvements to be included in the amendments to the Cooperative Agreements include track removal, re-grading, and pavement restoration associated with the five (5) crossings that are to be eliminated. Additional work includes the construction of a traffic signal at the intersection of Stockton Street and Lockeford Street. This signal location is next on the signal priority list and will be funded by Local Impact Fees.

Staff recommends Council adopt a resolution authorizing the City Manager to execute amendments to the current Measure K Environmental and Design and Construction Cooperative Agreements for the Lodi Central City Railroad Safety Project. Staff will come back to Council with final plans and specifications for a multi-phase construction program.

FUNDING: No additional appropriations needed.

Richard C. Prima, Jr.
Public Works Director

Prepared by Charlie Swimley, Senior Civil Engineer
RCP/CS/pmf

cc: D. Stephen Schwabauer, Interim City Attorney
Wes Fujitani, Senior Civil Engineer

F. Wally Sandelin, City Engineer
Paula Fernandez, Senior Traffic Engineer

Sharon Welch, Senior Civil Engineer

APPROVED: _____
H. Dixon Flynn, City Manager

RESOLUTION NO. 2004-_____

A RESOLUTION OF THE LODI CITY COUNCIL AUTHORIZING THE CITY MANAGER
TO EXECUTE AMENDMENTS TO THE CURRENT MEASURE K ENVIRONMENTAL
AND DESIGN AND CONSTRUCTION COOPERATIVE AGREEMENTS FOR THE
LODI CENTRAL CITY RAILROAD SAFETY PROJECT

=====

WHEREAS, on July 2, 2003, the City Council adopted a Resolution authorizing the City Manager to execute a Memorandum of Understanding (MOU) between the City of Lodi and the Railroads; and

WHEREAS, the amended MOU allows the Railroads to consider an alternative plan that includes rehabilitating the existing CCT short line between Lodi and Stockton; and

WHEREAS, on April 14, 2004, the City received written confirmation from the Railroads informing us of their decision to rehabilitate the CCT railroad between Stockton and Lodi; and

WHEREAS, in addition to reducing the overall project cost to the City, the project will further enhance Central City Railroad safety by eliminating all eastbound and westbound rail traffic between the UPRR mainline and the CCT mainline along the Kentucky House Branch/Lockeford Street corridor and, thereby, eliminating five additional crossings; and

WHEREAS, since rehabilitating the CCT does not include any City participation towards design, there are remaining Measure K funds available for removal of existing trackage and rehabilitation of crossings along the Kentucky House Branch/Lockeford Street corridor; and

WHEREAS, the improvements to be included in the amendments to the Cooperative Agreements include track removal, re-grading, and pavement restoration associated with the five crossings that are to be eliminated. Additional work includes the construction of a traffic signal at the intersection of Stockton Street and Lockeford Street.

NOW, THEREFORE, BE IT RESOLVED, that the Lodi City Council does hereby authorize the City Manager to execute amendments to the current Measure k Environmental and Design and Construction Cooperative Agreements for the Lodi Central City Railroad Safety Project.

Dated: July 7, 2004

=====

I hereby certify that Resolution No. 2004-_____ was passed and adopted by the Lodi City Council in a regular meeting held July 7, 2004 by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

SUSAN J. BLACKSTON
City Clerk

2004-_____



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution Authorizing City Manager to Execute Federal Transit Administration (FTA) Funding Agreement Between the City of Lodi and the City of Galt for Federal Fiscal Year 2002/03

MEETING DATE: July 7, 2004

PREPARED BY: Public Works Director

RECOMMENDED ACTION: That the City Council adopt a resolution authorizing the City Manager to execute the FTA funding agreement between the City of Lodi and the City of Galt for Federal Fiscal Year 2002/03.

BACKGROUND INFORMATION: With the 2000 Census, the Lodi Urbanized Area boundaries were redrawn by the U.S. Census Bureau to include the City of Galt, as well as a portion of Sacramento and San Joaquin Counties. The FTA uses these areas to apportion transit funding for agencies/areas of 50,000 to 200,000 populations, which includes Lodi. With this designation, Lodi needs to coordinate with the City of Galt to determine projects and funding for the FTA Section 5307 for Transit that is apportioned to the Lodi Urbanized Area.

Both cities wish to retain control over their transit services, thus we have been working with the San Joaquin Council of Governments, Sacramento Council of Governments and Sacramento County to reach a consensus on how the funding will be split and what reporting requirements are needed. While these discussions remain on-going, it has become necessary to make a determination on the Federal apportionment for the Fiscal Year 2002/03. Funds that remain unspent become in danger of being redistributed to other areas, and the funding for the Lodi Urbanized Area funds could be lost. At a recent meeting facilitated by Mayor Hansen, staff from both cities and Council Member Hitchcock and Galt Mayor Darryl Clare concurred that we should work quickly to resolve FY 02/03 and continue our discussion on subsequent fiscal years.

The attached agreement serves to move this process forward and allocate the FY 2002/2003 funding before it can be redistributed to others. The recommendation is that Lodi receive and program the entire allocation. Galt's deferred share (17%) will be programmed in future years. Galt's share of future allocations will be determined in a subsequent MOU.

FUNDING: None required.

Richard C. Prima, Jr.
Public Works Director

Prepared by Tiffani M. Fink, Transportation Manager
RCP/TMF/pmf
Attachment
cc: Finance Director
Transportation Manager
Doug Gault, Galt Public Works Director

APPROVED: _____
H. Dixon Flynn, City Manager

DRAFT

FTA FUNDING AGREEMENT BETWEEN THE CITY OF LODI AND THE CITY OF GALT

This AGREEMENT made and entered into this _____ day of _____, 2004 is by and between the CITY OF LODI, hereinafter referred to as "LODI", the CITY OF GALT, hereinafter referred to as "GALT", effective as of July 8, 2004.

Witnesses That:

WHEREAS, prior to Federal Fiscal Year 2003, LODI had been the sole and primary grantee for the Federal Transit Administration Section 5307 funds for the Lodi Urbanized Area; and

WHEREAS, the 2000 Federal Census expanded the boundaries of the Lodi Urbanized area to include portions of unincorporated San Joaquin County, GALT, and portions of unincorporated Sacramento County; and

WHEREAS, Sacramento County and GALT have a cooperative agreement for the provision of South County Transit Link public transit services in GALT and southern Sacramento County, including service to the Galt/Sacramento County portion of the Lodi-Galt Urbanized Area; and

WHEREAS, LODI and GALT desire to establish a temporary process for submitting grant requests that is as simple as possible for 5307 funds for operating and capital projects; and

WHEREAS, the reporting and grant requirements for Section 5307 funds are in-depth and require detailed information.

NOW, THEREFORE THE PARTIES HERETO AGREE AS FOLLOWS, in consideration of the mutual benefits to the parties hereto, and in consideration of the covenants and conditions herein contained, the parties agree as follows:

1. RECIPIENT AUTHORIZATION

As the primary grantee for the Section 5307 funds in the Lodi Urbanized Area, LODI shall administer the FTA Section 5307 grant application for operating and capital funds for FFY 2003. LODI shall submit the grant to FTA for approval. Upon approval of the grant application, LODI shall notify GALT of this approval and any conditions FTA has placed on the grant.

2. ALLOCATIONS

The FFY 2002/03 funding allocation shall be split 83% for LODI and 17% for GALT. Additionally, GALT authorizes LODI to program, claim and receive the entire FFY 2002/03 allocation amount. GALT reserves the right to program its share (17% or roughly \$216,490) in the later years of this and/or any subsequent Memorandum of Understanding. For FFY 2002/2003, LODI shall be responsible for publishing a Program of Projects and holding a public hearing within their jurisdiction.

3. TERM

This agreement shall be effective as of July 8, 2004, and shall remain in effect until September 30, 2005.

4. FTA REQUIREMENTS

LODI shall be responsible for the preparation and submittal of the grant application for the Lodi Urbanized Area allocation of FTA Section 5307 funds. Each City shall work with FTA to ensure that proper FTA procedures and policies are implemented and that grant conditions and matching requirements are met. If required by FTA to submit a joint National Transit Database (NTD) report, GALT shall supply the necessary information to LODI for inclusion in their report. Every attempt shall be made by GALT to obtain their own reporting ID for NTD.

5. DATA REQUIRED

GALT agrees to provide to LODI, no later than September 30th of each year that this agreement continues, a record of its fixed route and demand responsive service miles, unlinked passenger trips, passenger miles, and all fiscal and operations data as required to complete the NTD report.

6. FTA SUPPLEMENTAL AGREEMENT

As required by FTA, LODI, and GALT agree to execute any FTA Supplemental Agreement as part of a FTA Grant Agreement, wherein LODI as the primary recipient for FTA Section 5307 funds authorizes GALT to be a recipient of funds allocated to the Lodi Urbanized Area for FFY 2003.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date of the year first hereinafter written

CITY OF LODI

CITY OF GALT

By:

By:

Approved as to Form

Approved as to Form

By:
City Attorney, City of Lodi

By:
City Attorney, City of Galt

RESOLUTION NO. 2004-_____

A RESOLUTION OF THE LODI CITY COUNCIL
AUTHORIZING THE CITY MANAGER TO EXECUTE
FEDERAL TRANSIT ADMINISTRATION (FTA) FUNDING
AGREEMENT BETWEEN THE CITY OF LODI AND THE
CITY OF GALT FOR FEDERAL FISCAL YEAR 2002/03

=====

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby authorize the City Manager to execute the FTA funding agreement between the City of Lodi and the City of Galt for Federal Fiscal Year 2002/03.

Dated: July 7, 2004

=====

I hereby certify that Resolution No. 2004-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held July 7, 2004, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

SUSAN J. BLACKSTON
City Clerk

2004-_____



TM

CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution for the Waiver and Transfer of Juvenile Accountability Incentive Block Grant Funding and Disbursement of Matching City Funds

MEETING DATE: July 7, 2004

PREPARED BY: JERRY J. ADAMS, CHIEF OF POLICE

RECOMMENDED ACTION: That the City Council adopt a Resolution for the waiver and transfer of Juvenile Accountability Incentive Block Grant funding and disbursement of matching City funds.

BACKGROUND INFORMATION: For the sixth year, the Office of Criminal Justice Planning has awarded a Juvenile Accountability Incentive Block Grant to San Joaquin County. The total award is \$207,577 with the City of Lodi's share of the grant being \$11,937.

I am recommending that Council authorize the City of Lodi's share of this grant to be waived so the funds can be pooled with grant funds from the cities of Manteca, Tracy, Stockton and the County of San Joaquin for purposes of funding Gang Outreach workers. These workers will serve San Joaquin County cities and liaison between law enforcement, gang members and their families. This program is tied to the Operation Peacekeeper Program in which the City of Lodi has participated, with County agencies, for the past six (6) years.

FUNDING: \$11,937 grant funds were awarded by the Office of Criminal Justice Planning to the City of Lodi through the San Joaquin County for the Juvenile Accountability Incentive Block Grant. \$1315 of matching funds will be provided from the City of Lodi, via the State of California's Supplemental Law Enforcement Services Fund, that was awarded to the Lodi Police Department.

Funding is available:

James R. Krueger, Finance Director

Jerry J. Adams
Chief of Police

cc: City Attorney

APPROVED: _____
H. Dixon Flynn, City Manager

RESOLUTION NO. 2004-_____

A RESOLUTION OF THE LODI CITY COUNCIL APPROVING
WAIVER AND TRANSFER OF JUVENILE ACCOUNTABILITY
INCENTIVE BLOCK GRANT FUNDING, AND FURTHER
APPROVING MATCHING CITY FUNDS

WHEREAS, San Joaquin County has received a Juvenile Accountability Incentive Block Grant from the Office of Criminal Justice Planning in the amount of \$207,577; and

WHEREAS, the City of Lodi's share of that grant is \$11,937; and

WHEREAS, the City of Lodi declines to directly accept funds made available through the Juvenile Accountability Incentive Block Grant (JAIBG) Program administered by the Office of Criminal Justice Planning (OCJP); and

WHEREAS, the City of Lodi waives its right to its entire direct subgrant award so the funds can be pooled with grant funds from the cities of Manteca, Tracy, Stockton and the County of San Joaquin for purposes of funding Gang Outreach workers. These workers will serve San Joaquin County cities and liaison between law enforcement, gang members and their families. This program is tied to the Operation Peacekeeper Program in which the City of Lodi has participated, with County agencies, for the past six (6) years; and

WHEREAS, any liability arising out of the performance of this Grant Award Agreement, including civil court actions for damages, shall be the responsibility of the grant recipient and the authorizing agency. The State of California and OCJP disclaim responsibility for any such liability; and

WHEREAS, The grant funds received hereunder shall not be used to supplant expenditures controlled by this body.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Lodi hereby approves the waiver and transfer of the Juvenile Accountability Incentive Block Grant, thereby pooling the grant funds with the cities of Manteca, Tracy, Stockton and the County of San Joaquin for purposes of funding Gang Outreach workers; and

BE IT FURTHER RESOLVED, that matching funds in the amount of \$1,315 be derived from the State of California's Supplemental Law Enforcement Services Fund that was previously awarded to the Lodi Police Department.

Dated: July 7, 2004

I hereby certify that Resolution No. 2004-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held July 7, 2004, by the following vote:

AYES: COUNCIL MEMBERS –
NOES: COUNCIL MEMBERS –
ABSENT: COUNCIL MEMBERS –
ABSTAIN: COUNCIL MEMBERS –

SUSAN J. BLACKSTON
City Clerk

2004-_____



CITY OF LODI COUNCIL COMMUNICATION

TM

AGENDA TITLE: Adopt a resolution authorizing the City of Lodi to participate in an office supplies contract through the U S Communities Government Purchasing Alliance (FIN)

MEETING DATE: July 7, 2004

PREPARED BY: Finance Director

RECOMMENDED ACTION: That the City Council adopt a resolution authorizing the City to participate in a competitively-awarded contract made by the County of Los Angeles (and offered to local agencies nationwide by the U S Communities Government Purchasing Alliance) for purchase of office supplies from Office Depot's Business Services Division.

BACKGROUND INFORMATION: In July, 1992, the City Council adopted Resolution 92-119 authorizing the City to participate in an office supplies purchase agreement between the County of San Joaquin and Eastman, Inc. (now Office Depot). The County allowed that contract to expire on June 30, 2004.

However, Office Depot continues to provide substantial discounts on office supplies to cities and counties throughout the country under a competitively-awarded contract with Los Angeles County, and made available to public agencies by U S Communities (www.uscommunities.org). The contract award was based on a Request for Proposals issued by L A County, and its subsequent evaluation of each proposer's list of products, distribution capabilities, customer service, and pricing.

Prior to the expiration of their agreement with Office Depot, San Joaquin County contracted with Boise Office Products for purchase of office supplies beginning on July 1, 2004. Separately, the City of Lodi has access to Boise's volume pricing through a contract previously awarded by the State of California (ref: Resolution 2002-93). In an effort to determine the best option for the City of Lodi, staff will review the San Joaquin County / Boise contract, and if the City would benefit from that agreement, staff will recommend adoption of a resolution authorizing participation in the County's agreement with Boise Office Products.

Meanwhile, staff expects to use both the Office Depot (County of Los Angeles) and Boise (State of California) contracts, buying selected items from each agreement where it is prudent to do so. Both companies offer on-line ordering, next-day delivery, comprehensive reporting of order activity, and summary billing.

FUNDING: None required to implement; individual departments budget for office supplies in their respective operating budgets.

James Krueger, Finance Director

Prepared by Joel Harris, Purchasing Officer

APPROVED: _____
H. Dixon Flynn, City Manager

RESOLUTION NO. 2004-_____

A RESOLUTION OF THE LODI CITY COUNCIL AUTHORIZING
PARTICIPATION IN AN OFFICE SUPPLIES CONTRACT THROUGH
THE U S COMMUNITIES GOVERNMENT PURCHASING ALLIANCE
FOR PURCHASE OF OFFICE SUPPLIES FROM OFFICE DEPOT'S
BUSINESS SERVICES DIVISION

=====

WHEREAS, in July 1992, the City Council adopted Resolution 92-119 authorizing the City to participate in an office supplies purchase agreement between the County of San Joaquin and Eastman, Inc. (now Office Depot). The County allowed that contract to expire on June 30, 2004; and

WHEREAS, Office Depot continues to provide substantial discounts on office supplies to cities and counties throughout the country under a competitively-awarded contract with Los Angeles County, and made available to public agencies by U S Communities. The contract award was based on a Request for Proposals issued by L A County, and its subsequent evaluation of each proposer's list of products, distribution capabilities, customer service, and pricing; and

WHEREAS, prior to the expiration of their agreement with Office Depot, San Joaquin County contracted with Boise Office Products for purchase of office supplies beginning on July 1, 2004. Separately, the City of Lodi has access to Boise's volume pricing through a contract previously awarded by the State of California. In an effort to determine the best option for the City of Lodi, staff will review the San Joaquin County / Boise contract, and if the City would benefit from that agreement, staff will recommend adoption of a resolution authorizing participation in the County's agreement with Boise Office Products.

WHEREAS, meanwhile, staff expects to use both the Office Depot (County of Los Angeles) and Boise (State of California) contracts, buying selected items from each agreement where it is prudent to do so. Both companies offer on-line ordering, next-day delivery, comprehensive reporting of order activity and summary billing.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby authorize the City of Lodi to participate in a competitively-awarded contract made by the County of Los Angeles (and offered to local agencies nationwide by the U S Communities Government Purchasing Alliance) for purchase of office supplies from Office Depot's Business Services Division.

Dated: July 7, 2004

=====

I hereby certify that Resolution No. 2004-_____ was passed and adopted by the Lodi City Council in a regular meeting held July 7, 2004, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

SUSAN J. BLACKSTON
City Clerk

2004-_____



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Authorize the Treasurer and Revenue Manager to enter into agreements with the Farmers and Merchants Bank of Central California for the issuance of a City credit card for City Attorney, Steve Schwabauer and Finance Director James R. Krueger

MEETING DATE: July 7, 2004

PREPARED BY: Finance Director/Treasurer

RECOMMENDED ACTION: That the City Council authorize the Treasurer and Revenue Manager to enter into agreements with the Farmers and Merchants Bank of Central California for the issuance of a City credit card for City Attorney Steve Schwabauer and Finance Director James R. Krueger.

BACKGROUND INFORMATION: In October 1995 the City Council authorized the Treasurer and Revenue Manager to enter into an agreement with Farmers and Merchants Bank of Central California for the issuance of credit cards. This action will allow the addition of City Attorney Steve Schwabauer and James R. Krueger.

These credit cards are for reasons of convenience and cost used in conjunction with attendance by the City Council and staff at conferences, training seminars and other miscellaneous meetings. The limit of \$5,000 is the level previously authorized for department head positions.

James R. Krueger
Finance Director/Treasurer

FUNDING: None

Prepared by: M. Maxine Cadwallader, Revenue Manager

JK/mmc

APPROVED: _____
H. Dixon Flynn, City Manager



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Set Public Hearing for July 21, 2004, to Consider Adoption of the Transit Division's Fiscal Year 2002/03 Program of Projects

MEETING DATE: July 7, 2004

PREPARED BY: Public Works Director

RECOMMENDED ACTION: That the City Council set a public hearing for July 21, 2004, to consider adoption of the Transit Division's FY 2002/03 Program of Projects.

BACKGROUND INFORMATION: The City of Lodi is required to hold a public hearing to allow the public an opportunity to comment on the City's transit projects funded by the Federal Transit Administration (FTA). In the past, very few, if any, comments have been given regarding the use of Federal funds for transit projects. Staff expects the same this year. The program of projects will be published in the Lodi News Sentinel, and a public hearing will be conducted July 21, 2004. For FY 2002/2003, the program of projects is as follows:

Section 5307 Funds:

Operations for City of Lodi	\$655,000
Total	\$655,000

FUNDING: None required.

Richard C. Prima, Jr.
Public Works Director

Prepared by Tiffani M. Fink, Transportation Manager

RCP/TMF/pmf

cc: Finance Director
Transportation Manager

APPROVED: _____
H. Dixon Flynn, City Manager



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Set Public Hearing for August 18, 2004, to Receive Comments on and Consider Accepting the City of Lodi's Public Health Goals Report

MEETING DATE: July 7, 2004

PREPARED BY: Public Works Director

RECOMMENDED ACTION: That the City Council set a public hearing for August 18, 2004, to receive comments on and consider accepting the required Public Health Goals Report.

BACKGROUND INFORMATION: City staff has prepared the attached report comparing Lodi's drinking water with California EPA's public health goals (PHGs) and with the US EPA's maximum contaminant level goals (MCLGs). PHGs and MCLGs are not enforceable standards and no action to meet them is mandated.

California Code of Regulations, Title 22, Section 116470 mandates that a report be prepared every three years. The report is intended to provide information to the public, in addition to the Annual Water Quality Report mailed to each customer in April 2004. On June 30, 2004, a public notice appeared in the *Lodi News-Sentinel* to inform any interested party of the Public Health Goals Report and its availability.

The law also requires that a public hearing be held (which can be part of a regularly scheduled public meeting) for the purpose of accepting and responding to public comment on the report. A notice of public hearing will be published in the *Lodi News-Sentinel*.

Our water system complies with all of the health-based drinking water standards and maximum contaminant levels (MCLs), as required by the California Department of Health Services and the US EPA. No additional actions are required or recommended.

FUNDING: Not applicable.

Richard C. Prima, Jr.
Public Works Director

Prepared by Frank Beeler, Assistant Water/Wastewater Superintendent

RCP/FB/dsg

Attachment

cc: Del Kerlin, Assistant Water/Wastewater Superintendent
Mike Schafer, Laboratory Services Supervisor

APPROVED: _____
H. Dixon Flynn, City Manager

CITY OF LODI
REPORT ON WATER QUALITY
RELATIVE TO PUBLIC HEALTH GOALS
JUNE, 2004

Background

Provisions of the California Health and Safety Code, Title 22, Section 116470, specify that larger water utilities (more than 10,000 service connections), are required to prepare a special report every three years detailing if their water quality measurements have exceeded any Public Health goals (PHGs). These are **non-enforceable** goals established by the Cal-EPA's Office of Environmental Health Hazard Assessment. As of January 1, 2004 Cal-EPA has adopted 71 PHGs. The law also requires that where Cal-EPA has not adopted a PHG for a constituent, the water suppliers are to use the enforceable Maximum Contaminant Level Goals (MCLGs) adopted by the United States Environmental Protection Agency (U.S. EPA). Only constituents which have a California primary drinking water standard and for which either a PHG or MCLG has been set are to be addressed per regulations.

The law specifies what information is to be provided in the report. If a constituent was detected in the water supply at a level exceeding an applicable PHG or MCLG, this report provides the information required by law. Included are:

- The numerical public health risk associated with the Maximum Contaminant Level (MCL) and the PHG or MCLG;
- The category or type of risk to health that could be associated with each constituent;
- The best treatment technology available that could be used to reduce the constituent level;
- An estimate of the cost to install that treatment if it is appropriate and feasible.

What are PHGs?

PHGs are Public Health Goals set by the California Environmental Protection Agency's Office of Environmental Health Hazard Assessment and are based solely on public health risk considerations. None of the practical risk-management factors that are considered by the U.S. EPA or the California Department of Health Services in setting enforceable drinking water standards (Maximum Contaminant Levels or MCLs) are considered in setting the PHGs. These factors include analytical detection capability, treatment technology available, benefits and costs. The PHGs are **not enforceable and are not required to be met** by any public water system. MCLGs are the federal equivalent to PHGs.

Water Quality Data Considered:

All of the water quality data collected by our water system in 2003 for purposes of determining compliance with drinking water standards was considered. This data was all summarized in the attached 2003 Annual Water Quality Report which was mailed to our

customers in April 2004. The attached 2003 Annual Water Quality Report also contains useful definitions for PHG, MCLG, MCL, microgram per liter, and milligram per liter.

Guidelines Followed:

The Association of California Water Agencies prepared guidelines for water utilities to use in preparing these required reports, and these guidelines were used in the preparation of our report. No guidance was available from state regulatory agencies.

Best Available Treatment Technology and Cost Estimates:

Both the U.S. EPA and the California Department of Health Services adopt what are known as Best Available Technologies or BATs which are the best known methods of reducing contaminant levels to the MCL. Costs can be estimated for such technologies. However, since many PHGs and all MCLGs are set much lower than the MCL, it is not always possible, nor feasible to determine what treatment is needed to further reduce a constituent downward to or near the PHG or MCLG, many of which are set at zero. Estimating the costs to reduce a constituent to zero is difficult, if not impossible, because it is not possible to verify by analytical means that the level has been lowered to a zero. In some cases, installing treatment to try and further reduce very low levels of one constituent may have adverse effects on other aspects of water quality. For example; to meet the Copper PHG, chemicals to further coat home plumbing would need to be added to Lodi's drinking water, and in GAC treatment systems, more frequent change outs of carbon and larger vessels keeping water in contact with activated carbon longer can both increase the risk of bacterial contamination.

The estimates below reflect only wellhead treatment capital and annual operation and maintenance costs for typical wells. Design, potential costs for additional land and other site specific requirements are not included. These costs are not indicative of the total past and potential future costs to remediate groundwater throughout Lodi.

Constituents Detected That Exceed a PHG or a MCLG:

The following is a discussion of constituents that were detected in one or more of our drinking water sources at levels above the PHG, or if no PHG, above the MCLG.

Trichloroethylene (TCE): The PHG for TCE is 0.8 micrograms per liter (ug/L or parts per billion). The MCL or drinking water standard for TCE is 5 ug/l. We detected TCE at levels not exceeding the MCL in the discharges from two (2) of Lodi's 25 City Wells used in 2003. The averages for these City Wells in 2003 were:

City Well No. 2	-	1.9 ug/l
City Well No. 24	-	0.33 ug/l

(City Well No. 24 - for information only. The above level is below the State PHG but is higher than the MCLG. This well was not included in the cost analysis below.)

*All annual customer costs were based on an assumed annualized cost of capital expenditures equal to 10% of capital costs plus annual and maintenance costs divided by 23,000 customers.

The category of health risk associated with TCE, and the reason that a drinking water standard was adopted for it, is the people who drink water containing TCE above the MCL throughout their lifetime could theoretically experience an increased risk of getting cancer. The California Department of Health Services says that “Drinking water which meets this standard (the MCL) is associated with little to none of this risk and should be considered safe with respect to TCE.” (*CDHS Blue Book of drinking water law and regulations, Section 64468.2, Title 22, CCR.*) The Best Available Technology for TCE to lower the level below the MCL is either Granular Activated Carbon or Packed Tower Aeration. Since the TCE level in these two City Wells is already below the MCL, a Granular Activated Carbon Treatment System with larger vessels would likely be required to attempt to keep TCE levels to below 0.8 ug/L. The estimated cost to install such a treatment system on one City Well and enhance the capacity on one City Well with an existing treatment system that would reliably reduce the TCE level to below 0.8 ug/L would be approximately \$400,000 and require annual Operation and Maintenance at a cost of approximately \$62,000 per year. This would result in an assumed increased cost for each customer of approximately \$6*.

Dibromochloropropane (DBCP): The PHG for DBCP is 1.7 nanograms per liter (ng/L or parts per trillion). The MCL for DBCP is 200 ng/L. We detected DBCP at levels not exceeding the MCL in the discharges from 10 of Lodi’s 25 City Wells used 2003. The annual averages for these City Wells in 2003 were:

City Well No. 1R	-	90 ng/l
City Well No. 6R	-	140 ng/l
City Well No. 8	-	180 ng/l
City Well No. 13	-	90 ng/l
City Well No. 14	-	100 ng/l
City Well No. 17	-	170 ng/l
City Well No. 18	-	150 ng/l
City Well No. 19	-	140 ng/l
City Well No. 20	-	23 ng/l
City Well No. 21	-	10 ng/l

The category for health risk associated with DBCP, and the reason that a drinking water standard was adopted for it, is the people who drink water containing DBCP above the MCL throughout their lifetime could theoretically experience an increased risk of getting cancer. The California Department of Health Services says that “Drinking water which meets this standard (the MCL) is associated with little to none of this risk and should be considered safe with respect to DBCP.” (*CDHS Blue Book of drinking water law and regulations, Section 64468.3, Title 22, CCR.*) The numerical health risk for an MCLG of zero is zero. The Best Available Technology for DBCP to lower the level below the MCL is either Granular Activated Carbon or Packed Tower Aeration. To attempt to maintain the DBCP levels at zero, Granular Activated Carbon Treatment Systems with longer empty bed contact times and more frequent carbon change-outs would likely be required. The estimated cost to install such a treatment system on eight City Wells, and enhance capacities on six City Wells with

*All annual customer costs were based on an assumed annualized cost of capital expenditures equal to 10% of capital costs plus annual and maintenance costs divided by 23,000 customers.

existing treatment systems that would reliably reduce the DBCP level to zero would be approximately \$3.2 million. The increased annual Operation and Maintenance costs would be approximately \$470,000 per year. This would result in an assumed increased cost for each customer of approximately \$34 per year*. (Note: this increase cost may not be reimbursable under the terms of Lodi's settlement agreement with DBCP manufacturers.)

1,1,2,2- Tetrachloroethylene (PCE) : The PHG for PCE is 0.6 micrograms per liter (ug/l or parts per billion). The MCL or drinking water standard for PCE is 5 ug/l. We detected PCE at levels not exceeding the MCL in the discharges from three (3) of Lodi's 25 City Wells used in 2003. The averages of these City Wells in 2003 were:

City Well No. 6R	-	0.61 ug/l
City Well No. 8	-	0.62 ug/l
City Well No. 12	-	0.54 ug/l

The category of health risk associated with PCE, and the reason that a drinking water standard was adopted for it, is the people who drink water containing PCE above the MCL throughout their lifetime could theoretically experience an increased risk of getting cancer. The California Department of Health Services says that "Drinking water which meets this standard (the MCL) is associated with little to none of this risk and should be considered safe with respect to PCE." (*CDHS Blue Book of drinking water law and regulations, Section 64468.2, Title 22, CCR.*) The Best Available Technology for PCE to lower the level below the MCL is either Granular Activated Carbon or Packed Tower Aeration. Since the PCE level in these three City Wells is already below the MCL, a Granular Activated Carbon Treatment System with larger vessels would likely be required to attempt to keep PCE levels below the PHG. The estimated cost to install such a treatment system on three City Wells that would reliably reduce the PCE level to the PHG would be approximately \$1.2 million and require annual Operation and Maintenance at a cost of approximately \$145,000 per year. This would result in an assumed increased cost for each customer of approximately \$11*.

Coliform Bacteria: In 2003, we collected 972 samples from our distribution system for coliform analysis. Of these samples, 0.4% were positive for coliform bacteria. In 2003 a maximum of 1.3% of these samples were positive for one month.

The MCL for coliform is 5% positive samples of all samples per month and the MCLG is zero. The reason for the coliform drinking water standard is to minimize the possibility of the water containing pathogens which are organisms that cause waterborne disease. Because coliform is only an indicator of the potential presence of pathogens, it is not possible to state a specific numerical health risk. While U.S. EPA normally sets MCLGs "at a level where no known or anticipated adverse effects on persons would occur" they indicate that they cannot do so with coliforms.

Coliform bacteria are organisms that are found just about everywhere in nature and are not generally considered harmful. They are used as an indicator because of the ease in

*All annual customer costs were based on an assumed annualized cost of capital expenditures equal to 10% of capital costs plus annual and maintenance costs divided by 23,000 customers.

monitoring and analysis. If a positive sample is found, it indicates a potential problem that needs to be investigated and follow up sampling done. It is not at all unusual for a system to have an occasional positive sample. It is difficult, if not impossible, to assure that a system will never get a positive sample. A further test that is performed on all total coliform positive results is for Fecal Coliform or E. Coli. There were no positive fecal Coliform or E. Coli results in 2003.

To reduce the number of positive results for coliform bacteria, the City of Lodi occasionally chlorinates the water system. The sources of water (City Wells) and all new or repaired water mains follow disinfection procedures and pass bacteriological testing before being allowed "on-line".

Full time chlorination will not guarantee that a system will never get a positive sample. If the City were to go to full time chlorination of the drinking water system, the estimated cost to install chlorine generation systems on 25 City Wells would be approximately \$880,000 and annual Operation and Maintenance cost would be approximately \$55,000 per year. This would result in an assumed increased cost for each customer of approximately \$6 per year.*

Copper: The PHG for copper is 0.17 milligrams per liter (mg/L or parts per million). There is no MCL for Copper. Instead the 90th percentile value of all samples from household taps in the distribution system cannot exceed an Action Level of 1.3 mg/L.

The category of health risk for copper is gastrointestinal irritation.

All of Lodi's source water samples for copper in 2003 were less than the PHG. Based on sampling of the distribution system in 2003, our 90th percentile value for copper was 0.41 mg/L.

Our water system is in full compliance with the Federal and State Lead and Copper Rule. Based on sampling, it was determined, based to State regulatory requirements, that Lodi meets the Action Level for copper. Therefore, based on criteria set forth by the California Department of Health Services we meet the criteria for "optimized corrosion control" for our system.

In general, optimizing corrosion control is considered to be the best available technology to deal with corrosion issues and with any copper findings. We continue to monitor our water quality parameters that relate to corrosivity, such as the pH, hardness, alkalinity, total dissolved solids, and will take action if necessary to maintain our system in an "optimized corrosion control" condition.

Since we are meeting the "optimized corrosion control" requirements, there is no apparent reason to initiate additional corrosion control treatment as it involves the addition of other chemicals and there could be additional water quality issues raised. Therefore, no estimate of cost has been included.

*All annual customer costs were based on an assumed annualized cost of capital expenditures equal to 10% of capital costs plus annual and maintenance costs divided by 23,000 customers.

Recommendations For Further Action:

The drinking water quality of the City of Lodi Public Water System meets all State of California, Department of Health Services and U.S. EPA drinking water standards set to protect public health. To further reduce the levels of the constituent's identified in this report that are already below the Maximum Contaminant Levels established by the State and Federal government, additional costly treatment processes would be required.

The effectiveness of the treatment processes to provide any significant reductions in constituent levels at these already low values is uncertain. The theoretical health protection benefits of these further hypothetical reductions are not at all clear and may not be quantifiable. Therefore, staff is not recommending further action at this time. However, the point of this process is to provide you with information on water quality in Lodi and rough costs to make certain improvements.

This report was completed by City of Lodi Public Works Department staff. Any questions relating to this report should be directed to: City of Lodi, Assistant Water/Wastewater Superintendent Frank Beeler, 1331 South Ham Lane, Lodi, CA 95242 or call (209) 333-6740.

*All annual customer costs were based on an assumed annualized cost of capital expenditures equal to 10% of capital costs plus annual and maintenance costs divided by 23,000 customers.

Annual Water Quality Report for 2003

City of Lodi, Published April 2004

(Este informe contiene informacion muy importante sobre su agua potable. Traduzcalo o hable con alguien que lo entienda bien.)

This 15th Annual Water Quality Report summarizes testing performed on Lodi's water supply by State certified laboratories. This report follows the "Consumer Confidence Report" (CCR) format required by the U.S. Environmental Protection Agency and the State of California.

WHO ARE WE?

In 1910 your City of Lodi Water Utility officially began operation along with the Electric Utility, and for 93 years, the water system has been owned by the Citizens of Lodi. Ninety-two years ago there were only two wells and a few miles of water mains. In 2003 there were 25 wells, over 210 miles of mains, a water tower and a 1-million-gallon storage tank. Lodi delivers water to approximately 23,000 residential, commercial and industrial customers.

Water rates, system expansion projects, and significant purchases are authorized by the Lodi City Council, which serves as the water utility's official regulatory body. **Lodi City Council meetings are open to the public and are scheduled for the first and third Wednesdays of each month at 305 West Pine Street in Lodi at 7:00 p.m.**

YOUR DRINKING WATER SYSTEM

25 computer controlled wells, located throughout the City, provide high quality groundwater, our sole source of supply. The wells operate automatically on water pressure demand so that when water use increases, more wells come on line. A new well is planned for 2004 to keep up with water supply demands. However, the groundwater basin is being depleted. Lodi has purchased rights to some surface water in the Mokelumne River. The City is currently studying the most effective and cost efficient use of this surface water.

Currently seven wells are fitted with emergency diesel-powered generators. (While these generators will help maintain water pressure during power outages, please refrain from using water during power outages to save the capacity for emergency uses, i.e., fire fighting.) The water delivered to your tap meets or is better than all federal and state water quality standards.

BACTERIOLOGICAL WATER QUALITY — CHLORINATION

Lodi takes over 20 samples per week from throughout Lodi's water distribution system for bacterial water quality. In 2003 the City of Lodi's drinking water met all bacteriological standards.

The water may be periodically chlorinated as a proactive step to help keep the water system in compliance with strict bacteriological standards, however, Lodi's water does not normally contain chlorine. The City will make an effort to inform you in local papers before your water is chlorinated. When necessary however, the drinking water may be chlorinated before you can be informed.

Recently the City of Lodi was ordered to start full time chlorination on the water system. After discussing the issue in detail with State regulators, it was found that there was a misunderstanding on the results of City bacteriological testing and the order was rescinded. The City is also following the development of U.S. EPA draft regulations which may require that nearly every groundwater system like Lodi's chlorinate year-round.

DRINKING WATER SOURCE ASSESSMENT

"An assessment of the drinking water sources for the City of Lodi's water system was completed in February 2003. The sources are considered most vulnerable to the following activities: gas stations (current and historic), chemical/petroleum processing/storage, metal plating/finishing/fabricating, plastic/synthetics producers, dry cleaners, known contaminant plumes, sewer collection systems, fleet/truck/bus terminals, machine shops, utility stations-maintenance areas, agricultural drainage, and photo processing/printing."

A copy of the completed assessment is available at the Public Works Department, City of Lodi, 1331 South Ham Lane, Lodi, CA 95242. You may request that a copy be sent to you by contacting Frank Beeler at (209) 333-6740. A copy of the complete assessment is also available at the Department of Health Services, Drinking Water Field Operations Branch, Stockton District Office, 31 E Channel Street, Room 270, Stockton, California 95202. You may also request that a copy be sent to you by contacting Joseph O. Spano, District Engineer, at (209) 948-7696.

DOWNTOWN SOILS CLEAN-UP

The City, working with regulatory agencies in a cooperative fashion, is pursuing a resolution to a contamination problem in the north and central downtown Lodi area. While NO operating wells are out of compliance with any drinking water standards, there is PCE (Tetrachloroethylene) and TCE (Trichloroethylene) found in soils and shallow groundwater. The City continues to work towards clean-up/containment of these dry cleaning and industrial solvents through litigation and mediation with the various potentially responsible parties.

DBCP (Dibromochloropropane) UPDATE

DBCP was used by area farmers to kill nematodes in vineyards. DBCP was banned in California in 1977, but is still present in trace levels in some groundwater. The City of Lodi used 25 wells to provide drinking water in 2003. The wells are rotated so over the course of time, water being delivered is a blend from these wells. Eleven of Lodi's wells had no detectable DBCP. Six wells have filters to remove DBCP. The remaining eight meet State and Federal standards, but have trace amounts of DBCP. **The result is that the people of Lodi are being served water below the DBCP level deemed safe by the U.S. EPA and the State of California.**

DBCP has been shown to increase cancer nodules in rats and mice when exposed to very high levels over their lifetimes. In theory these chemicals may also increase the risk of cancer in humans. Drinking water standards are set to reduce this risk and include a safety factor for the general population and take into account the cost and practicality of removing the particular contaminant. While there are scientists who say this theory is not justifiable, there are also those who feel that the standards do not protect sub-groups, such as children.

As a counterpoint, this theoretical risk of cancer has also been applied to many chemicals that occur in everyday foods. When chemicals that are found in everyday foods are tested in the same way, some scientists have found that many foods have a greater theoretical cancer hazard than DBCP in drinking water.

For more info, see the web site: <http://potency.berkeley.edu/text/lehr.html> (to better understand, the above web site, DBCP levels in Lodi's water would have a HERP% of approximately 0.0005).

The U.S. EPA and State of California drinking water standard for DBCP has been set at 0.2 ppb to reduce the theoretical risk of cancer. This theoretical risk is based on lifetime (70 years) exposure and drinking about two quarts of water every day. The limit of 0.2 ppb equals one drop in 66,000 gallons of water. It would take over 350 years to drink 66,000 gallons of water at 2 quarts/day. Water meeting this standard is considered safe with respect to DBCP by the U.S. EPA and State of California Department of Health Services.

In 1996 the City settled a lawsuit against DBCP manufacturers, who have already paid the City for a large portion of Lodi's costs related to DBCP treatment. The DBCP manufacturers will continue to pay a large portion of the City's DBCP related costs for the settlement's 40-year life.

If you have any questions about this report or Lodi's water quality, please contact:

Assistant Water/Wastewater Superintendent • Frank Beeler

1331 S. Ham Lane, Lodi, CA 95242 • Telephone: (209) 333-6740 • E-mail: fbeeler@lodi.gov

To better understand the report, please note the description of terms and abbreviations

Terms and Abbreviations Used:

Maximum Contaminant Level (MCL): The highest level of a contaminant that is allowed in drinking water. Primary MCLs are set as close to the PHGs (or MCLGs) as is economically and technologically feasible. Secondary MCL's are set to protect the odor, taste, and appearance of drinking water.

Public Health Goal (PHG): The level of a contaminant in drinking water below which there is no known or expected risk to health. PHGs are set by the California Environmental Protection Agency.

Maximum Contaminant Level Goal (MCLG): The level of a contaminant in drinking water below which there is no known or expected risk to health. MCLGs are set by the U.S. Environmental Protection Agency.

Regulatory Action Level (AL): The concentration of a contaminant which, if exceeded, triggers treatment or other requirements which a water system must follow.

Primary Drinking Water Standard or PDWS: MCLs and MRDLs for contaminants that affect health along with their monitoring and reporting requirements, and water treatment requirements.

Maximum residual disinfectant level (MRDL): The level of a disinfectant added for water treatment that may not be exceeded at the consumer's tap.

Maximum residual disinfectant level goal (MRDLG): The level of a disinfectant added for water treatment below which there is no known or expected risk to health. MRDLGs are set the U.S. Environmental Protection Agency.

mg/L or ppm: Milligrams per liter, or parts per million (one ppm equals a concentration of about one cup in a 60,000 gallon swimming pool).

ug/L or ppb: Micrograms per liter, or parts per billion (one ppb equals about 4.5 drops in a 60,000 gallon swimming pool).

ppt: Parts per trillion (one ppt equals less than 1/200 of a drop in a 60,000 gallon swimming pool).

pCi/L: Picocuries per liter (a measurement of radiation).

NA: Not Applicable.

ND: Not Detected at measurable amounts for reporting purposes.

Grains/gal: Grains per gallon. A hardness measurement often used for softeners and dishwashers. (17.1 mg/L = 1 grain/gal).

umhos/cm: Micromhos per centimeter (a measurement of conductance).

< Means less than the amount shown.

> Means more than the amount shown.

City of Lodi Annual Water Quality Report for 2003

(published April 2004)

Regulated Inorganic Chemicals *2001-2003 Data	MCL	Average of Lodi Wells	Range of Individual Detections	PHG or (MCLG)	Major sources in Drinking water
Aluminum, mg/L	1	0.024	0.22-ND	0.6	Erosion of natural deposits, residue from some surface water treatment processes
Arsenic, ug/L	50	4.2	9.0-ND	NA	Erosion of natural deposits (see message below)
Barium, mg/L	1	0.064	0.23-ND	2	Erosion of natural deposits
Fluoride, mg/L	1.4	0.11	0.22-ND	1	Erosion of natural deposits
Nitrate as NO ₃ , mg/L	45	8.6	36-ND	45	Leaching from fertilizer use; leaching from septic tanks and sewage; erosion of natural deposits (see Nitrate message)

Bacterial Water Quality Coliform Bacteria 2003 Data	MCL	Total Positive	Monthly High-Low Range	PHG or (MCLG)	Major sources in Drinking water
Total Coliform, Positive	5% /month	0.5%	1.3%- 0%	(0)	Naturally present in the environment
Fecal Coliform & E. coli	>1/mo.	0	0 - 0	(0)	Human and animal fecal waste

Radioactivity, pico Curies per Liter *1999-2003 Data	MCL	Average of Lodi Wells	Range of Individual Detections	PHG or (MCLG)	Major sources in Drinking water
Gross Alpha, pCi/L	15	4.95	15.15-0.96	(0)	Erosion of natural deposits
Radon, pCi/L	NA	378	568-268	NA	Erosion of natural deposits (See message)
Uranium, pCi/L	20	5.81	11.7-2.57	NA	Erosion of natural deposits

Organic Chemicals with at least one confirmed detection in an operational City Well						
Regulated Organic Chemicals 2003 Data	MCL	Average of Lodi Wells	Range of Individual Detections	PHG or (MCLG)	Major sources in Drinking water	Comments:
Tetrachloroethylene, (PCE) ppb	5	0.07	1.3** - ND	0.06	Discharge from factories, dry cleaners, and auto shops (metal degreaser)	Found in Wells # 6R, 8 & 12 at levels below the MCL.
1,1-Dichloroethylene (1,1-DCE), ppb	6	0.02	0.81**- ND	10	Discharge from industries. Local ground contamination from businesses using the chemical.	Only in Well # 2 at levels below the MCL
Trichloroethylene (TCE), ppb	5	0.09	3.0**- ND	0.8	Discharge from industries. Local ground contamination from businesses using the chemical. Breakdown product of Tetrachloroethylene (PCE).	Found in Wells # 2 & 24 at levels below the MCL.

Dibromochloropropane (DBCP), ppt	200	40	350** - ND	1.7	Banned nematocide that may still be present in soils due to runoff/leaching from former use on vineyards.	See DBCP Update
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Secondary Standards Aesthetic Purposes	Secondary	Average of Lodi	Range of Individual	
*2001-2003 Data (see note)	MCL	Wells	Detections	Typical Source of Contaminant
Aluminum, ug/L	200	24	220-ND	Erosion of natural deposits
Chloride, mg/L	500	15	55-2.8	Runoff/leaching from natural deposits; Seawater influence
Color-Units	15	1.8	5-ND	Naturally-occurring organic material
Foaming Agents (MBAS) ug/L	500	2.2	55-ND	Substances that form ions in water, seawater influence
Specific Conductance, umhos/cm	1600	340	800-93	Municipal and industrial waste discharges
Sulfate, mg/L	500	15	35-ND	Runoff/leaching from natural deposits; industrial wastes
Total Dissolved Solids, mg/L	1000	243	500-82	Runoff/leaching from natural deposits
Turbidity, NTU Units	5	0.11	0.49-0.02	Soil Runoff

Note: Aesthetic problems are only associated with taste, smell, and other problems which are not a health risk.

Lead & Copper Rule Customer Tap Monitoring 2003 Data	AL (Action Level)	Average 90th Percentile	Range of Individual Detections	PHG or (MCLG)	# Samples Exceeding AL (of 52 samples from 52 sites)	Major sources in Drinking Water
Lead, 90th %, ug/L	15	<5.0	5.2-ND	2	0	Internal erosion of household plumbing
Copper, 90th %, mg/L	1.3	0.41	0.55-ND	0.17	0	systems; erosion of natural deposits

Unregulated Contaminants Detected 2003 Data	AL (Action Level)	Average of Lodi Wells	Range of Individual Detections
DCPA (total di-an-mono acid degredates), ug/L	NA	0.032	1.6-ND
Trichloropropane, ug/L	50	26	37-10
Vanadium, ug/L	0.005	0.0049	0.049-ND

Other non-regulated water constituents found in your water (for your information only)

Non-regulated water constituents, *2001-2003 Data	Average of Lodi Wells	Range of Detections
Total Hardness, as mg/L	129	330-30
Total Hardness, as grains/gal.	7.6	19-1.8
Calcium, mg/L	29	75-5.9
Sodium, mg/L	21	52-7.2
Potassium, mg/L	6.5	12-2.1
Alkalinity (bicarbonate), mg/L	164	340-55
pH, in pH units	7.3	7.7-6.9
Magnesium, mg/L	14	34-3.7

* Regulations call for monitoring of some constituents less than once per year because the concentrations on these constituents do not change frequently. Therefore, some of our data, though representative, are more than one year old.

** Averages are used for compliance determination due to the variable nature of individual analyses, and due to the fact that any associated theoretical risks are not acute, but theoretically only after years of exposure to levels above MCLs.

THE FOLLOWING MESSAGES ARE REQUIRED BY THE U.S. EPA AND THE STATE OF CALIFORNIA. NOT ALL PORTIONS OF THESE MESSAGES NECESSARILY APPLY TO LODI'S GROUNDWATER.

- Drinking water, including bottled water, may reasonably be expected to contain at least small amounts of some contaminants. The presence of contaminants does not necessarily indicate that water poses a health risk. More information about contaminants and potential health effects can be obtained by calling the EPA's Safe Drinking Water Hotline at (1-800-426-4791).
- Some people may be more vulnerable to contaminants in drinking water than the general population. Immuno-compromised persons such as persons with cancer undergoing chemotherapy, persons who have undergone organ transplants, people with HIV/AIDS or other immune system disorders, some elderly, and infants can be particularly at risk from infections. These people should seek advice about drinking water from their health care providers. USEPA/Centers for Disease Control (CDC) guidelines on appropriate means to lessen the risk of infection by *Cryptosporidium* and other microbial contaminants are available from the Safe Drinking Water Hotline (1-800-426-4791).
- The sources of drinking water (both tap water and bottled water) include rivers, lakes, streams, ponds, reservoirs, springs, and wells. As water travels over the surface of the land or through the ground, it dissolves naturally occurring minerals and, in some cases, radioactive material, and can pick up substances resulting from the presence of animals or from human activity.
- Contaminants that may be present in source water include:
 - Microbial contaminants, such as viruses and bacteria, that may come from sewage treatment plant, septic systems, agricultural livestock operations, and wildlife.
 - Inorganic contaminants, such as salts and metals, that can be naturally-occurring or result from urban stormwater runoff, industrial or domestic wastewater discharges, oil and gas production, mining, or farming.
 - Pesticides and herbicides, which may come from a variety of sources such as agriculture, urban storm water runoff, and residential uses.
 - Organic chemical contaminants, including synthetic and volatile organic chemicals, that are byproducts of industrial processes and petroleum production, and can also come from gas stations, urban stormwater runoff, and septic systems.
 - Radioactive contaminants, which can be naturally occurring or be the result of oil and gas production and mining activities.

In order to ensure that tap water is safe to drink, USEPA and the California Department of Health Services (Department) prescribe regulations that limit the amount of certain contaminants in water provided by public water systems. Department regulations also establish limits for contaminants in bottled water that must provide the same protection for public health.

• Radon is a naturally occurring radioactive gas that you can't see, taste, or smell. It is found throughout the U.S. Radon can move up through the ground and into a home through cracks and holes in the foundation. Radon can build up to high levels in all types of homes. Radon can also get into indoor air when released from tap water from showering, washing dishes, and other household activities. Compared to radon entering the home through soil, radon entering the home through tap water will in most cases be a small source of radon in indoor air. Radon is a known human carcinogen. Breathing air-containing radon can lead to lung cancer. Drinking water containing radon may also cause increased risk of stomach cancer. If you are concerned about radon in your home, test the air in your home. Testing is inexpensive and easy. Fix your home if the level of radon in your air is 4 picocuries per liter of air (pCi/L) or higher. There are simple ways to fix a radon problem that aren't too costly. For additional information, call your State radon program or call EPA's Radon Hotline (1-800-SOS-RADON).

ARSENIC: *After a long debate, the drinking water standard for Arsenic will be lowered from 50 ppb (parts per billion) to 10 ppb. The following message is required for systems that have some sources containing Arsenic below the new standard of 10 ppb, but over half (5 ppb). The average in Lodi's wells is 4.2 ppb and the highest well is 9.0 ppb.*

While your drinking water meets the current standard for arsenic, it does contain low levels of arsenic. The standard balances the current understanding of arsenic's possible health effects against the costs of removing arsenic from drinking water. The California Department of Health Services continues to research the health effects of low levels

of arsenic, which is a mineral known to cause cancer in humans at high concentrations and is linked to other health effects such as skin damage and circulatory problems.

NITRATE: *The following message is required for systems that have some sources containing Nitrate below the standard of 45 ppm (as NO₃), but over half (23 ppm) of the standard. The average of Lodi's wells is 8.6 ppm and the highest well is 36 ppm.*

Nitrate in drinking water at levels above 45 mg/L is a health risk for infants of less than six months of age. Such nitrate levels in drinking water can interfere with the capacity of the infant's blood to carry oxygen, resulting in a serious illness; symptoms include shortness of breath and blueness of the skin. Nitrate levels above 45 mg/L may also affect the ability of the blood to carry oxygen in other individuals, such as pregnant women and those with certain specific enzyme deficiencies. If you are caring for an infant, or you are pregnant, you should ask advice from your health care provider.

MTBE

MTBE (Methyl-Tert-Butyl-Ether) is a controversial additive to gasoline that has been in the news the past few years. One of the main concerns with MTBE is the threat of leaking from service stations into the groundwater. Monitoring of City wells has NOT detected any traces of MTBE to date.

The City has a program of monitoring all City wells for MTBE. Wells that are at greater risk (i.e., closer to gasoline stations) are monitored more frequently.

WATER CONSERVATION

In 2003, 5.422 billion gallons of water were pumped to meet Lodi's water demands. This is 23% less water use per person than in 1986. As Lodi's and California's populations increase, water conservation becomes an important part of meeting demands for fresh water.

The commitment of the citizens of Lodi to conserving water also helps conserve the electrical energy needed to pump the water to homes and businesses. To further conserve water, electrical energy, and wastewater treatment plant capacity, the City has instituted a rebate program for water saving devices such as low-flow toilets. See details below.

Your diligent water conservation practices, as in the past, are needed in 2004. A report calculated dollar savings from water conservation to be far above the cost of the Water Conservation Program! Your water conservation efforts have also averted millions of dollars in capital costs, helping water rates stay as low as possible. The millions of dollars in capital cost savings can easily be lost if water conservation is not continued.

See the summary of the Lodi Water Conservation Ordinance in the next column.

For more information or to report a water waste, call the Water Conservation office at 333-6829.

\$ Water Conservation Rebate Program \$

The City of Lodi is offering rebates on purchases of Water Conserving devices. The rebates are good for installation at residential and commercial water customers within the City of Lodi.

Rebates of up to \$44 are good for Ultra Low-Flow Toilets rated at 1.6 gallons per flush or less and must be replacing units using a higher volume of water per flush. Rebates of up to \$100 are available for pressure assist PF/2 Ultra Low-Flow 1.6 gallon toilets. Additional rebates of 50% are available on Low-Flow Shower Heads, Insulated Hot Water Blankets, and Hose Bib Manual Timers for outside water hoses.

The program is funded by the Water, Wastewater and Electric Utilities. The rebates, given at the time of purchase, are only available at the following Lodi stores:

Ace Hardware • 827 West Kettleman Lane
Orchard Super Hardware • 360 South Cherokee Lane
Ferguson Enterprises, Inc • 1435 Academy Street

Contact the Water Conservation Office at (209) 333-6740 for more detail

Water Conservation Ordinance Summary

Ordinance Requirements — Water waste includes but is not limited to the following:

1. Allowing a controllable leak of water to go unrepaired.
2. Watering lawns, flower beds, landscaping, ornamental plants or gardens except on watering days as follows:

Odd-numbered addresses on Wednesday/ Friday/ Sunday; Even-numbered addresses on Tuesday/ Thursday/ Saturday.
(WATERING IS NOT ALLOWED ON MONDAYS)

3. Watering between **10 a.m. and 6 p.m.** from **May 1 through September 30** each year. **(You may NOT water during these high evaporation times.)**
4. Washing down sidewalks, driveways, parking areas, tennis courts, patios, other paved areas or buildings.
5. Washing any motor vehicle, trailer, boat, moveable equipment except with a bucket. A hose (see # 6 below) shall be used for rinsing only and for not more than three (3) minutes.
6. Use of a hose without a positive shut off nozzle.

(NO OPEN HOSES)

7. Allowing excess water to flow into a gutter or any drainage area for longer than three (3) minutes.
 8. Overwatering lawns or landscapes from November 1st through February 28th, or during and immediately after a rain.
- Water Wasting Rates and Enforcement** — Education and cooperation is our first goal, but the following enforcement procedures and charges will be followed for water waste.
- 1st Water Waste** — City will leave an information sheet describing the waste so that it may be corrected.
 - 2nd Water Waste** — City will give written notice requiring corrective action. (Within 12 months of a 1st Water Waste)
 - 3rd Water Waste** — City will give written notice, and a \$35 charge will be added to the next utility bill. (Within 12 months of a 2nd Water Waste)
 - 4th Water Waste** — City will give written notice, and a \$75 charge will be added to the next utility bill. (Within 12 months of a 3rd Water Waste)
 - 5th and Subsequent Water Wastes** — City will give written notice, and a \$150 charge will be added to the next utility bill AND the City may require a water meter and/or flow restrictor to be installed at the waster's expense. (Within 12 months of the previous Water Waste)
- If you have any questions, would like further information concerning water conservation, or to report water waste, please call the Water Conservation Office at 333-6829.



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution of Preliminary Determination and Resolution of Intention to Annex Legacy Estates I, Legacy Estates II, and Kirst Estates Zone 5 and The Villas Zone 6 to Lodi Consolidated Landscape Maintenance District No. 2003-1; Set Public Hearing and Deadline for Receipt of Ballots for September 1, 2004; and Adopt Resolutions Authorizing City Manager to Execute Professional Services Agreement Task Orders with Timothy J. Hachman, Attorney at Law, (\$6,500) and Thompson-Hysell Engineers, a Division of The Keith Companies, Inc., (\$9,500) for Services Required in Support of the Annexation

MEETING DATE: July 7, 2004

PREPARED BY: Public Works Director

RECOMMENDED ACTION: That the City Council adopt the following resolutions and additionally adopt resolutions authorizing the City Manager to execute Professional Services Agreement Task Order 1 with Timothy J. Hachman, Attorney at Law, and Professional Services Agreement Task Order 2 with Thompson-Hysell Engineers, a Division of The Keith Companies, Inc., for services required in support of the annexation:

1. Resolution of Preliminary Determination to Annex Territory to a Maintenance Assessment District, to Form a Zone, to Levy an Annual Assessment for Costs Incurred and Preliminary Approval of Engineer's Report for Legacy Estates I, Legacy Estates II, and Kirst Estates Zone 5 and The Villas Zone 6, Lodi Consolidated Landscape Maintenance Assessment District No. 2003-1.
2. Resolution of Intention to Annex Territory to a Maintenance Assessment District, to Form a Zone, to Levy and Collect an Annual Assessment for Maintenance and Operation of Improvements and for Costs and Expenses and Setting Time and Place of Public Hearing and Setting Forth Mailed Property Owner Ballot Procedure and Notice for Legacy Estates I, Legacy Estates II, and Kirst Estates Zone 5 and The Villas Zone 6, Lodi Consolidated Landscape Maintenance Assessment District No. 2003-1.

BACKGROUND INFORMATION: Developers of the Legacy Estates I, Legacy Estates II, Kirst Estates, and The Villas subdivisions have elected to form assessment districts pursuant to the Landscaping and Lighting Act of 1972 for the purpose of installing and/or maintaining the public improvements described in Exhibit 1. Legacy Estates I, Legacy Estates II, and Kirst Estates Zone 5 consists of 223 lots. The Villas Zone 6 consists of 80 lots. The total number of lots in the two zones to be included in the proposed assessment district is 303. The locations of Zones 5 and 6 are presented in Exhibit 2.

The parcels for 2025 and 2031 West Harney Lane are not included in Zone 5 because they are existing single-family residences that will probably remain in their current single-family residential use for many years.

The action requested of the City Council will initiate the steps leading to formation of the districts and preliminarily approve the Engineer's Report. Additionally, the City Council will set a public hearing for

APPROVED: _____
H. Dixon Flynn, City Manager

Adopt Resolution of Preliminary Determination and Resolution of Intention to Annex Legacy Estates I, Legacy Estates II, and Kirst Estates Zone 5 and The Villas Zone 6 to Lodi Consolidated Landscape Maintenance District No. 2003-1; Set Public Hearing and Deadline for Receipt of Ballots for September 1, 2004; and Adopt Resolutions Authorizing City Manager to Execute Professional Services Agreement Task Orders with Timothy J. Hachman, Attorney at Law, (\$6,500) and Thompson-Hysell Engineers, a Division of The Keith Companies, Inc., (\$9,500) for Services Required in Support of the Annexation

July 7, 2004

Page 2

September 1, 2004, to hear public testimony on the formation and proposed assessments and to finally act to form the district.

The Engineer's Report, prepared by Thompson-Hysell Engineers, a division of The Keith Companies, Inc., of Modesto, California, is attached as Exhibit 3. It presents a description of the project, defines the area, describes the improvements to be maintained and provides a cost estimate of the First Year Estimated Assessment and sets the Maximum Annual Assessment amount. The annual assessment includes costs for maintaining the improvements, utilities, replacement reserves, and administration of the district. Three principal maintenance activities are covered by the district, including the reverse frontage wall and landscaping along Harney Lane and Mills Avenue, the street trees within the parkway areas of the subdivisions and a prorated share of public park maintenance.

Presently, the Legacy Estates I, Legacy Estates II, and Kirst Estates (Zone 5) subdivisions are comprised of four parcels that are expected to subdivide subsequent to the formation of the assessment district. Zone 5 will contain approximately 223 lots and will have a proposed assessment roll as set forth in Exhibit 3. The Villas (Zone 6) subdivision is comprised of a single parcel that is expected to subdivide subsequent to the formation of the assessment district into 80 lots and will have a proposed assessment roll as set forth in Exhibit 3.

Election ballots will be distributed to the owners of record as of the date of ballot preparation. Voting is based upon acres and simple majority vote is required to form the district. It is expected that none of the lots will be sold to individual homeowners prior to formation of the district on September 1, 2004.

The First Year Assessment will be added to the tax roll for Fiscal Year 2005/06 and the first revenues from the district will not be received until January 2006. Until the City receives funds from the district, the developer remains responsible for the regular and ongoing maintenance of the public wall, landscape, and parkway tree improvements. This requirement has been addressed in the Subdivision Improvement Agreements.

FUNDING: Applicant fees and reimbursement from funds collected through the assessment district.

Richard C. Prima, Jr.
Public Works Director

Prepared by F. Wally Sandelin, City Engineer
RCP/FWS/pmf
Attachments

cc: D. Stephen Schwabauer, Interim City Attorney
Tony Goehring, Parks and Recreation Director
George Bradley, Street Superintendent

EXHIBIT 1

DESCRIPTION OF AREAS TO BE MAINTAINED

LEGACY ESTATES I, LEGACY ESTATES II AND KIRST ESTATES

ZONE 5

- A. A masonry wall and a 9.5-foot wide landscaping strip, divided by a 4-foot wide meandering sidewalk, along the north side of Harney Lane at the back of lots 10-24 of Legacy Estates I, approximately 950 linear feet.
- B. A masonry wall and a 9.5-foot wide landscaping strip, divided by a 4-foot wide meandering sidewalk, along the west side of Mills Avenue from the project's southern boundary on Mills Avenue to the intersection of Wyndham Way, approximately 590 linear feet.
- C. A masonry wall and a 9.5-foot wide landscaping area, divided by a 4-foot wide meandering sidewalk, along the north side of Harney Lane at the back of lots 69-77 of Legacy Estates II, approximately 525 linear feet.
- D. Street parkway trees located within the public street within the District Zone 5 boundary.
- E. Public park land area 2.18 acres in size, equivalent to the current level of service standard for park area within the City of 3.4 acres per 1,000 persons served.

THE VILLAS

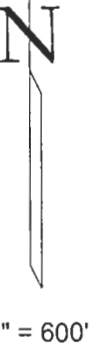
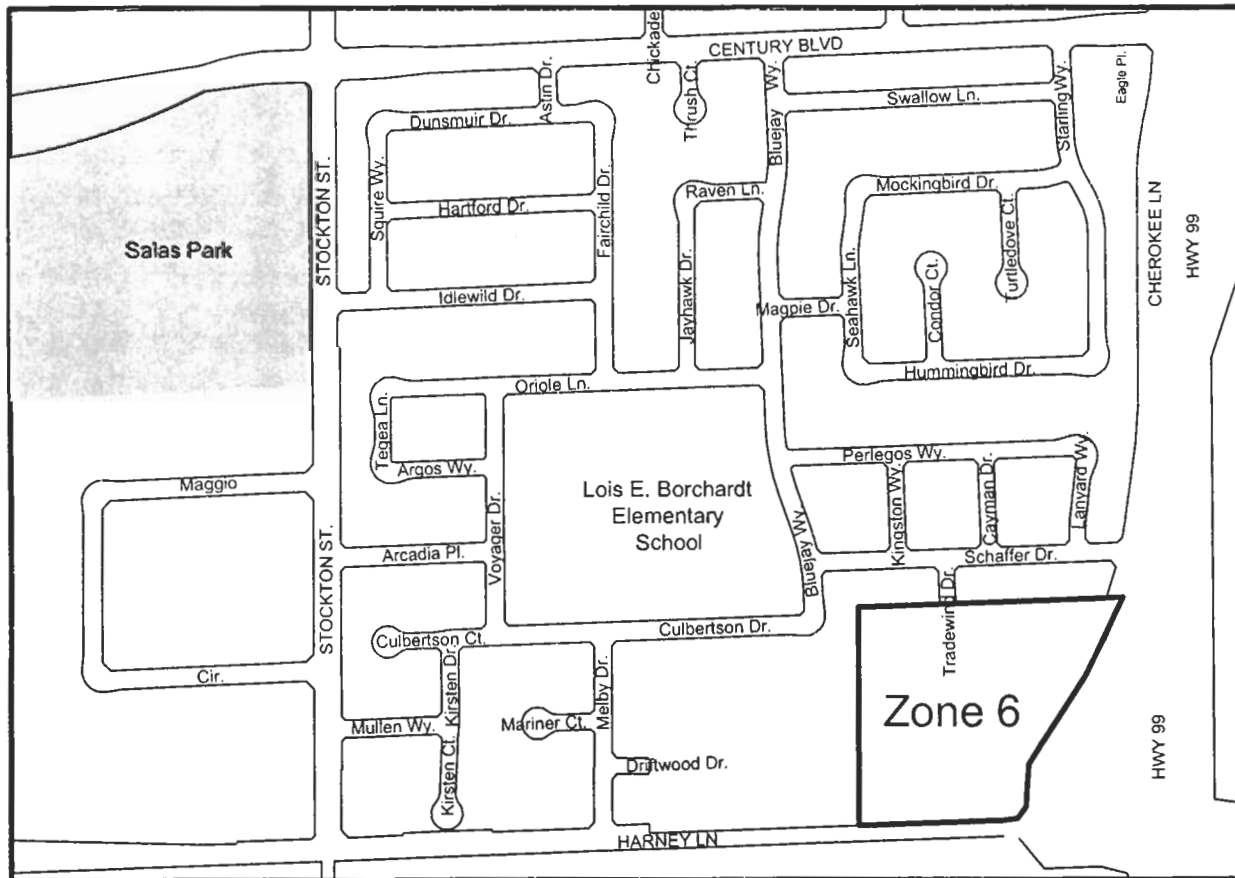
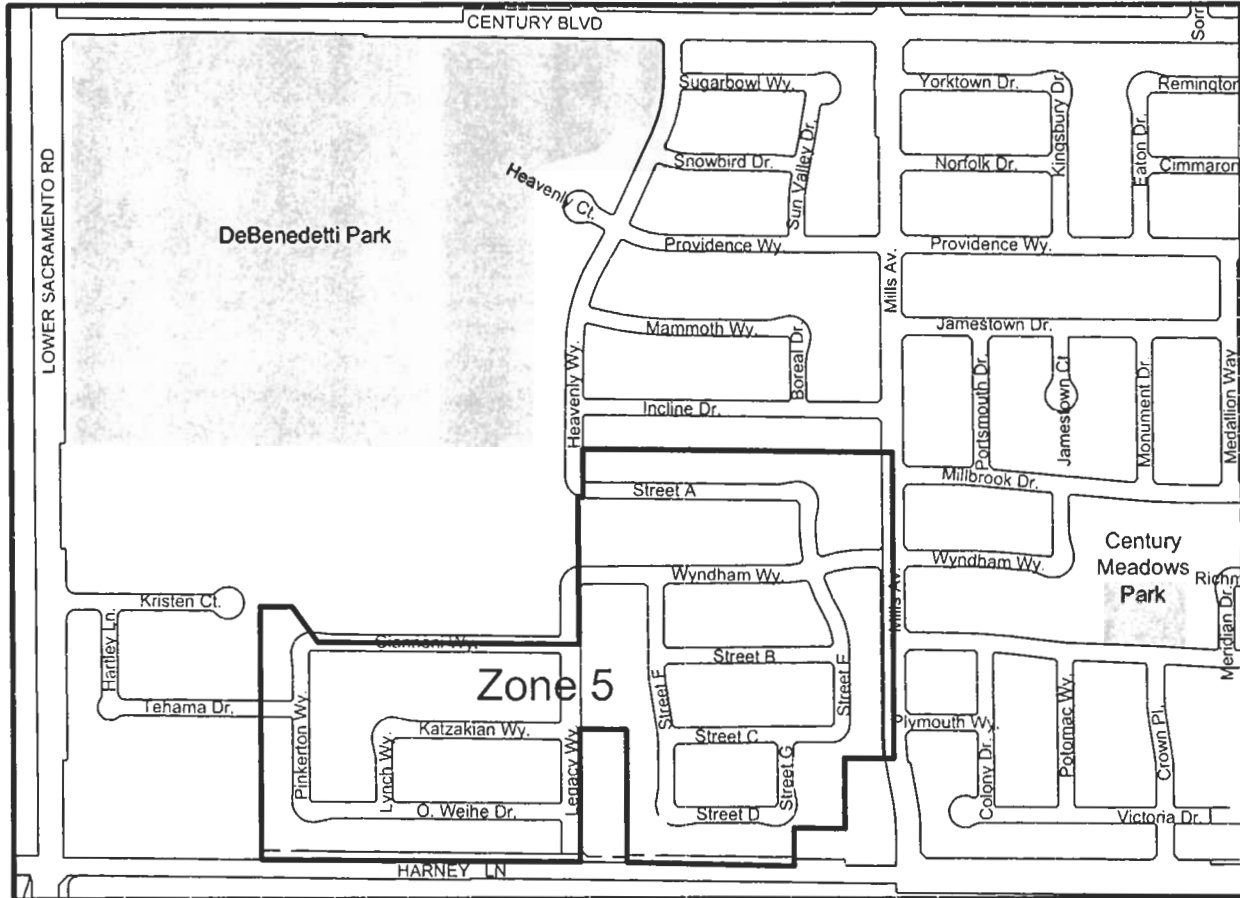
ZONE 6

- A. A masonry wall and an 8.5-foot wide landscaping area along the east side of Panzani Way at Harney Lane from the project's south boundary to the intersection of Porta Rossa Drive, approximately 120 linear feet.
- B. A masonry wall and a 27.5 to 43.0-foot variable width landscaping strip, divided by a 4-foot meandering sidewalk, along the north side of Harney Lane from Panzani Way to the frontage road, approximately 425 linear feet.
- C. A masonry wall and a 15.0 to 44.0-foot variable width landscaping strip, divided by a 4-foot meandering sidewalk along the west side of the

frontage road from Harney Lane to the project's north boundary, approximately 700 linear feet.

- D. Ten 24-foot wide, common access driveways dispersed throughout the residential area, approximately 1,200 linear feet.
- E. Parcel B, between lots 1 and 50, a variable width landscaping strip, approximately 250 linear feet.
- F. Street parkway trees located within the public street within the District Zone 6 boundary.
- G. Public park land area .75 acres in size, equivalent to the current level of service standard for park area within the City of 3.4 acres per 1,000 persons served.

EXHIBIT 2
LOCATION MAP
ZONE 5 & ZONE 6



**ENGINEER'S REPORT
LEGACY ESTATES I, LEGACY ESTATES II,
AND KIRST ESTATES, ZONE 5,
AND
THE VILLAS, ZONE 6
LODI CONSOLIDATED LANDSCAPE MAINTENANCE
ASSESSMENT DISTRICT NO. 2003-1
(PURSUANT TO THE LANDSCAPING AND LIGHTING ACT OF 1972)
CITY OF LODI**

FISCAL YEAR 2005-2006

PREPARED BY:

**Thompson-Hysell Engineers,
a division of The Keith Companies, Inc.
1016 12th Street
Modesto, CA 95354**

JUNE 2004

**ANNUAL ENGINEER'S REPORT
FOR THE 2005-2006 FISCAL YEAR**

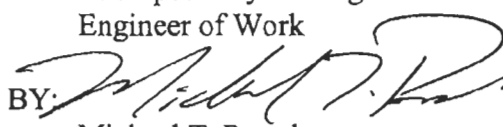
LEGACY ESTATES I, LEGACY ESTATES II,
AND KIRST ESTATES, ZONE 5,
AND
THE VILLAS, ZONE 6
LODI CONSOLIDATED LANDSCAPE MAINTENANCE
ASSESSMENT DISTRICT NO. 2003-1
CITY OF LODI
(Pursuant to the Landscaping and Lighting Act of 1972)

The undersigned respectfully submits the enclosed annual report as directed by the City Council.

DATED: June 30, 2004.

Thompson-Hysell Engineers
Engineer of Work

BY:


Michael T. Persak
RCE 44908



I HEREBY CERTIFY that the enclosed Annual Engineer's Report, together with Boundary Map, Assessment, and Assessment Diagram thereto attached, was filed with me on the _____ day of _____, 2004.

_____, City Clerk, City of Lodi
San Joaquin County, California

BY:

I HEREBY CERTIFY that the enclosed Annual Engineer's Report together with Assessment and Assessment Diagram thereto attached, was approved and confirmed by the City Council of the City of Lodi, California on the _____ day of _____, 2004.

_____, City Clerk, City of Lodi
San Joaquin County, California

BY:

I HEREBY CERTIFY that the enclosed Annual Engineer's Report together with Assessment and Assessment Diagram thereto attached, was filed with the Auditor of the County of San Joaquin on the _____ day of _____, 2004.

_____, City Clerk, City of Lodi
San Joaquin County, California

BY:

June 30, 2004

The Honorable Mayor and
City Council of The City of
Lodi, CA

To Whom It May Concern:

This report is prepared pursuant to and in compliance with the requirements of the “Landscaping and Lighting Act of 1972,” as amended, commencing with the Streets and Highways code sections 22500, et seq. for the creation of two new zones (Legacy Estates I, Legacy Estates II, and Kirst Estates, Zone 5, and The Villas, Zone 6) in the Lodi Consolidated Landscape Maintenance Assessment District No. 2003-1.

BACKGROUND

Zone 5 consists of a 77-lot residential development (Legacy Estates I), a 140-lot residential development (Legacy Estates II), and a 6-lot residential development (Kirst Estates) located in the southwestern portion of the City of Lodi. The Legacy Estates developments are being pursued by Frontiers Community Builders, and Kirst Estates is being pursued by Tokay Development. Zone 6 consists of an 80-lot residential development, located in the southeastern portion of the City of Lodi. This development is being pursued by KB Home. This report is relative to the proposed Legacy Estates I and II and Kirst Estates, Zone 5, and The Villas, Zone 6, Landscape Maintenance Districts of the City of Lodi Consolidated Landscape Maintenance Assessment District No. 2003-1 which provides annual funds for the maintenance of various public landscape improvements.

PHASED DEVELOPMENT

The Legacy Estates I and II and Kirst Estates, Zone 5, and The Villas, Zone 6 developments are currently anticipated to be constructed in a single phase. Annually, the additional public amenity improvements and the additional developed areas, if any, shall be identified. The costs of the maintenance of the new improvements, if any, shall be added to and included in the next annual landscape maintenance budget. These amounts for the additional improvements were accounted for in determining the maximum annual assessment (see Exhibit A). The Legacy Estates I and II and Kirst Estates, Zone 5, and The Villas, Zone 6 projects, when completed, will include 223 and 80 dueF’s, respectively.

ASSESSMENT DISTRICT AREA

The areas of Legacy Estates I and II and Kirst Estates, Zone 5, and The Villas, Zone 6, are described as all of the property within the following assessor’s parcels identified by assessor’s number (APN):

<u>Zone</u>	<u>Book</u>	<u>Page</u>	<u>Parcel</u>
5	058	230	13, 17 (portion), 22, 25
6	062	290	17

A boundary map for Legacy Estates I and II and Kirst Estates, Zone 5, is attached to this Engineer's Report as Exhibit B. The assessment diagrams are attached as Exhibit C. Sheet 1 of the assessment diagrams is a simple overall boundary map. Sheet 2 is the County Assessor's map and is incorporated in, and made a part of, the assessment diagram.

A boundary map for The Villas, Zone 6, is attached to this Engineer's Report as Exhibit D. The assessment diagrams are attached as Exhibit E. Again, Sheet 1 of the assessment diagrams is a simple overall boundary map. Sheet 2 is the County Assessor's map and is incorporated in, and made a part of, the assessment diagram.

PLANS AND SPECIFICATIONS

As this project is developed, plans and specifications for the amenity improvements to be maintained by the funds generated by the Legacy Estates I and II and Kirst Estates, Zone 5, and The Villas, Zone 6 Landscape Maintenance Districts shall be filed with the City of Lodi and will be incorporated into this report by reference.

DESCRIPTION OF AREAS TO BE MAINTAINED

The Legacy Estates I and II and Kirst Estates, Zone 5, and The Villas, Zone 6 Landscape Maintenance Districts are created to provide funding for the continued maintenance of the public areas which are described below. During the installation period for each phase, the installer of the improvements will maintain the new improvements until the following June 30, or until such time as funds are available for maintenance, at which time the new areas shall be incorporated into the areas already being maintained by the District.

The following improvements shall be included in their respective Districts upon their completion.

1. Zone 5 – Description of Improvements for Future Development

Legacy Estates I

- A. A masonry wall and a 9.5-foot wide landscaping strip, divided by a 4-foot wide meandering sidewalk, along the north side of Harney Lane at the back of lots 10-24 of Legacy Estates I, approximately 950 linear feet.
- B. Street parkway trees located within the public street within the District Zone 5 boundary.
- C. Public park land area 0.72 acres in size, equivalent to the current level of service standard for park area within the City of 3.4 acres per 1000 persons served.

Legacy Estates II

- A. A masonry wall and a 9.5-foot wide landscaping strip, divided by a 4-foot wide meandering sidewalk, along the west side of Mills Avenue from the project's southern boundary on Mills Avenue to the intersection of Wyndham Way, approximately 590 linear feet.
- B. A masonry wall and a 9.5-foot wide landscaping area, divided by a 4-foot wide meandering sidewalk, along the north side of Harney Lane at the back of lots 69-77 of Legacy Estates II, approximately 525 linear feet.
- C. Street parkway trees located within the public street within the District Zone 5 boundary.
- D. Public park land area 1.31 acres in size, equivalent to the current level of service standard for park area within the City of 3.4 acres per 1000 persons served.

Kirst Estates

- A. Street parkway trees located within the public street within the District Zone 5 boundary.
- B. Public park land area 0.06 acres in size, equivalent to the current level of service standard for park area within the City of 3.4 acres per 1000 persons served.

2. Zone 6 – Description of Improvements for Future Development

The Villas

- A. A masonry wall and an 8.5-foot wide landscaping area along the east side of Panzani Way at Harney Lane from the project's south boundary to the intersection of Porta Rossa Drive, approximately 120 linear feet.
- B. A masonry wall and a 27.5 to 43.0-foot variable width landscaping strip, divided by a 4-foot meandering sidewalk, along the north side of Harney Lane from Panzani Way to the frontage road, approximately 425 linear feet.
- C. A masonry wall and a 15.0 to 44.0-foot variable width landscaping strip, divided by a 4-foot meandering sidewalk along the west side of the frontage road from Harney Lane to the project's north boundary, approximately 700 linear feet.
- D. Ten 24-foot wide, common access driveways dispersed throughout the residential area, approximately 1200 linear feet.
- E. Parcel B, between lots 1 and 50, a variable width landscaping strip, approximately 250 linear feet.
- F. Street parkway trees located within the public street within the District Zone 6 boundary.
- G. Public park land area 0.75 acres in size, equivalent to the current level of service standard for park area within the City of 3.4 acres per thousand persons served.

ALLOCATION OF COSTS

Assessments for Legacy Estates I and II and Kirst Estates, Zone 5, and The Villas, Zone 6 Landscape Maintenance Districts are apportioned in a manner intended to fairly distribute the amounts among all assessable developed parcels in proportion to the estimated benefits to be received by each such parcel. A parcel is considered as being developed by reason of having been included as a lot or parcel in Legacy Estates I and II and Kirst Estates, Zone 5, and The Villas, Zone 6 recorded Final Maps or being included within the active developed area in the case of an existing parcel. The criteria for apportioning the costs for the maintenance makes use of a dwelling unit equivalent Factor (dueF) to calculate the benefit for all uses in terms of equivalent dwelling units. The terms, definitions, and procedures followed to develop the annual assessments are as follows:

1. Dwelling Unit Equivalent Factor (dueF)

The dueF for each use is as follows:

A. Single-Family Residential

All parcels determined to be developed for single-family use shall have a dueF of 1.0 for each parcel. One parcel has been designated for duplex use. This parcel will be assigned a dueF of 2.0.

B. Multiple-Family Residential

All parcels determined to be developed for multiple-family residential, other than duplex or triplex uses, shall have a dueF of 5.0 per acre for each parcel, in general representative of the approximate single-family yield if the area were developed for that use.

C. Commercial/Office

All parcels determined to be developed for commercial or office use shall have the dueF factor calculated as follows:

5 dueF per acre for the first 7.5 acres

2.5 dueF per acre for the next 7.5 acres

1.25 dueF per acre for all acreage over 15 acres.

D. Other Uses

All parcels determined to have uses other than identified above shall have a dueF established at the time of the first annual budget affecting such areas as determined by the Engineer or other officer appointed by the City of Lodi to prepare the annual cost spread. The determined dueF shall follow the character of the factors assigned above as nearly as practicable, but the determination shall be the sole responsibility of the appointed party and the City of Lodi.

E. Zero Dwelling Unit Equivalent Factor (dueF)

Certain parcels, by reason of use, size, shape, or state of development, may be assigned a zero dueF which will consequently result in a zero assessment for that fiscal year. All parcels having such a zero dueF for the previous fiscal year shall

annually be reconsidered to determine if the reason for assigning the zero dueF is still valid for the next fiscal year. Parcels which may be expected to have a zero dueF assigned are typically parcels which are all, or nearly all, publicly landscaped, parcels in public ownership, parcels owned by a public utility company and/or used for public utilities, public parks, public schools, and remainder parcels too small or narrow for reasonable residential or commercial use, unless actually in use.

1. Area Adjustments

Parcels which have an assessment determined by area and which have a portion of the parcel occupied by public or public utility uses separate from the entitled use and located in easements, prior to the multiplication by the dueF, shall have the area of the parcel adjusted to a usable area to reflect the loss or partial loss of the entitled use in those areas. This reduction shall not apply for normal peripheral and interior lot line public utility easements generally existing over the whole subdivision.

2. Compilation

Annually, about May 15, following the determination of the dwelling unit equivalent Factor (dueF) for all developed parcels and the determination of the list of developed parcels by APN for the next fiscal year, all single-family or duplex/triplex residential parcels shall have a dwelling unit equivalent (due) assigned to each parcel equal to the dueF for that parcel. For all parcels other than single-family or duplex/triplex residential parcels, the product of the dueF times the area or adjusted usable area of the parcel, as appropriate, shall be calculated and shall be the due assigned. For developed parcels, the sum of the due assigned to each single-family due for each other parcel shall equal the total due for the next fiscal year. The total amount of revenue required for the next fiscal year shall then be divided by the total due to calculate the assessment per due for the next fiscal year. Parcels defined as not developed for the purposes of determining the landscape maintenance assessments will all have a zero dueF and consequently a zero due and a zero assessment.

3. Allocation of Assessments

The assessment for wall maintenance for the next fiscal year shall then be set for each parcel as the product of the calculated dwelling unit equivalent (due) for each parcel, multiplied by the assessment per due for the next fiscal year.

METHOD OF ASSESSMENT SPREAD

In compliance with the provisions of Proposition 218, adding Article XIII D to the California Constitution, the benefits conferred on each parcel within the Lodi Consolidated Landscape Maintenance District No. 2003-1 are particular and distinct benefits (hereinafter "special benefits") over and above general benefits conferred on such property or to the public at large, in that the individual letter-designated zones in the District each represents a common unit to provide landscape, park, and related amenity maintenance, and monitored irrigation for the development of the property within the individual letter-designated zones in the District generally for residential and related urban uses. Benefits are determined to be 100% special benefits and 0% general benefits. Also, in keeping with the requirements of Proposition 218, no annual individual assessments shall be

increased above the amounts assessed under the established criteria for each zone for the preceding fiscal year without an election approval.

The base objective of the assessment spread is to distribute costs in accordance with the benefits received. Costs will be spread equally to each residential lot as follows:

1. Zone 5: Lots 1-77 in Legacy Estates I, lots 1-140 in Legacy Estates II, and lots 1-6 in Kirst Estates shall be assessed equally for the estimated costs of maintenance for the fiscal year 2005-2006.
2. Zone 6: Lots 1-80 in The Villas shall be assessed equally for the estimated costs of maintenance for the fiscal year 2005-2006.

ANNUAL ESCALATION

The maximum assessment amount for each fiscal year shall be increased in an amount equal to the greater of: 1) five percent (5.0%), or 2) the percentage increase of the Local Consumer Price Index (CPI). Consumer Price Index applied is for the San Francisco-Oakland-San Jose County Area for All Urban Consumers, as developed by the U.S. Bureau of Labor Statistics for a similar period of time.

ADMINISTRATION

It is intended that the City of Lodi, either directly or by subcontract, shall have the responsibility to establish an ongoing Landscape Maintenance Management entity to be known as the Landscape Maintenance District Manager which shall be responsible to establish the annual budget, keep an accounting of the maintenance and operational administrative costs, administer and perform the landscape maintenance either directly or by subcontract, pay all fees, utility costs, taxes, and any and all other operating costs.

ESTIMATE OF COSTS

The location and size of a park serving these subdivisions has not yet been determined. The estimated costs are for public amenity maintenance only. All improvements will be installed at no cost to the Landscape Maintenance Assessment District. The assessment will not be levied until needed, upon development and City acceptance of the improvements.

Items considered in the maintenance cost include, but are not limited to: Water for plants and trees, weeding, pruning, mowing, replacement of plants and trees that may die, maintenance of pavement and sidewalks, and maintaining and replacing all sprinkler lines and heads.

The annual costs estimated to be collected with the 2005-2006 taxes for the developed areas are as follows:

ZONE 5

<u>OPERATION COSTS</u>	<u>FY 2005-06 ESTIMATED ASSESSMENT</u>	<u>FY 2005-06 MAXIMUM ASSESSMENT</u>
Landscape		
Maintenance	\$4,100.00	\$4,100.00
Repair/Replacement	\$400.00	\$400.00
Water	\$450.00	\$450.00
Electricity	\$300.00	\$300.00
Replacement Reserve	<u>\$3,600.00</u>	<u>\$3,600.00</u>
<i>Subtotal Landscape</i>	<i>\$8,850.00</i>	<i>\$8,850.00</i>
Walls		
Repair/Maintenance/Graffiti Control	\$700.00	\$700.00
Replacement Reserve	<u>\$2,950.00</u>	<u>\$2,950.00</u>
<i>Subtotal Walls</i>	<i>\$3,650.00</i>	<i>\$3,650.00</i>
Street Trees	\$7,300.00	\$7,300.00
Future Park Site	\$0.00	\$22,000.00
Est. Subtotal Operation Costs	\$19,800.00	\$41,800.00
<u>DISTRICT ADMINISTRATION COSTS</u>		
Annual Engineer's Report	\$4,000.00	\$4,000.00
Publication	\$100.00	\$100.00
City Administration Fee	\$2,000.00	\$2,000.00
County Administration Fee	<u>\$900.00</u>	<u>\$900.00</u>
Est. Total Administration Costs	\$7,000.00	\$7,000.00
Est. Contingency	\$1,298.00	\$2,490.00
Total Estimated Revenue Required for 2005-2006 Fiscal Year	\$28,098.00	\$51,290.00

ZONE 5 (continued)

<u>OPERATION COSTS</u>	<u>FY 2005-06 ESTIMATED ASSESSMENT</u>	<u>FY 2005-06 MAXIMUM ASSESSMENT</u>
Total Appropriation Required from Existing Fund Balance	\$0.00	\$0.00
Total Estimated Assessment for 2005-2006 Fiscal Year	\$28,098.00	\$51,290.00
Total dueF	223	223
Assessment per dueF	\$126.00	\$230.00
MAXIMUM ANNUAL ASSESSMENT		\$230.00

ZONE 6

Landscape		
Maintenance	\$7,800.00	\$7,800.00
Repair/Replacement	\$800.00	\$800.00
Water	\$800.00	\$800.00
Electricity	\$550.00	\$550.00
Replacement Reserve	<u>\$6,750.00</u>	<u>\$6,750.00</u>
<i>Subtotal Landscape</i>	<i>\$16,700.00</i>	<i>\$16,700.00</i>
Walls		
Repair/Maintenance/Graffiti Control	\$700.00	\$700.00
Replacement Reserve	<u>\$4,100.00</u>	<u>\$4,100.00</u>
<i>Subtotal Walls</i>	<i>\$4,800.00</i>	<i>\$4,800.00</i>
Street Trees	\$1,400.00	\$1,400.00
Common Access Driveways	\$2,500.00	\$2,500.00
Future Park Site	\$0.00	\$7,500.00
Est. Subtotal Operation Costs	\$25,400.00	\$32,900.00

ZONE 6 (continued)

<u>OPERATION COSTS</u>	<u>FY 2005-06 ESTIMATED ASSESSMENT</u>	<u>FY 2005-06 MAXIMUM ASSESSMENT</u>
<u>DISTRICT ADMINISTRATION COSTS</u>		
Annual Engineer's Report	\$4,000.00	\$4,000.00
Publication	\$100.00	\$100.00
City Administration Fee	\$2,000.00	\$2,000.00
County Administration Fee	<u>\$900.00</u>	<u>\$900.00</u>
Est. Total Administration Costs	\$7,000.00	\$7,000.00
Est. Contingency	\$1,600.00	\$2,020.00
Total Estimated Revenue Required for 2005-2006 Fiscal Year	\$34,000.00	\$41,920.00
Total Appropriation Required from Existing Fund Balance	\$0.00	\$0.00
Total Estimated Assessment for 2005-2006 Fiscal Year	\$34,000.00	\$41,920.00
Total dueF	80	80
Assessment per dueF	\$425.00	\$524.00
MAXIMUM ANNUAL ASSESSMENT		\$524.00

Engineer's Report
 Legacy Estates I, Legacy Estates II,
 and Kirst Estates, Zone 5, and
 The Villas, Zone 6
 Page 10 of 10
 June 30, 2004

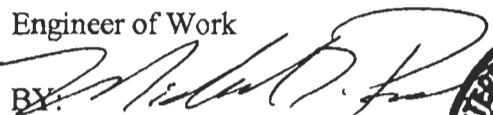
ASSESSMENT ROLL

The assessment roll for the fiscal year 2005-2006 is as follows:

Assessment No.	APN No.	Future Lot Nos.	Owner	No. of dueF's	FY 2005-06 Estimated Assessment	FY 2005-06 Maximum Assessment
Zone 5, Legacy Estates I and II and Kirst Estates						
1	058-230-25	Unit 1: Lots 1-77	Frontiers Community Builders	77	\$9,702.00	\$17,710.00
2	058-230-13	Unit 2: Lots 16-27, 40-71, 83, 84, 99, 100, 119-120	Frontiers Community Builders	50	\$6,300.00	\$11,500.00
3	058-230-22	Unit 2: Lots 1-15, 28-39, 72-82, 85-98, 101-118, 121-143	Frontiers Community Builders	90	\$11,340.00	\$20,700.00
4	058-230-17 (portion)	Lots 1-6	Tokay Development	6	\$756.00	\$1,380.00
Total Zone 5				223	\$28,098.00	\$51,290.00
Zone 6, The Villas						
1	062-029-17	1-80	KB Home	80	\$34,000.00	\$41,920.00
Total Zone 6				80	\$34,000.00	\$41,920.00

The parcels in this subdivision are expected to subdivide upon and subsequent to the formation of Zones 5 and 6. The proposed subdivisions will yield approximately 303 parcels (residential lots) and will have a proposed assessment roll, based on the above criteria and budget, as set forth in Exhibit A.

The foregoing Engineer's Report and the estimate of costs, as well as the Assessment Diagram and Assessment Roll, which are attached hereto, are presented for your approval by resolution dated this 30th day of June, 2004.

THOMPSON-HYSELL ENGINEERS
 Engineer of Work
 BY: 
 Michael T. Persak
 RCE 44908



**EXHIBIT A
ASSESSMENT ROLL
LEGACY ESTATES I, LEGACY ESTATES II, KIRST ESTATES, ZONE 5,
AND THE VILLAS, ZONE 6
LODI CONSOLIDATED LANDSCAPE MAINTENANCE
ASSESSMENT DISTRICT NO. 2003-1
(PURSUANT TO THE LANDSCAPING AND LIGHTING ACT OF 1972)
CITY OF LODI, CA**

DIAGRAM NUMBER	COUNTY ASSESSOR NUMBER	UNIT NO.	LOT NO.	FY 2005-06 ESTIMATED ASSESSMENT	FY 2005-06 MAXIMUM ASSESSMENT
1	058-230-25	Legacy Estates Unit 1	Lot No. 1	\$126.00	\$230.00
2	058-230-25	Legacy Estates Unit 1	Lot No. 2	\$126.00	\$230.00
3	058-230-25	Legacy Estates Unit 1	Lot No. 3	\$126.00	\$230.00
4	058-230-25	Legacy Estates Unit 1	Lot No. 4	\$126.00	\$230.00
5	058-230-25	Legacy Estates Unit 1	Lot No. 5	\$126.00	\$230.00
6	058-230-25	Legacy Estates Unit 1	Lot No. 6	\$126.00	\$230.00
7	058-230-25	Legacy Estates Unit 1	Lot No. 7	\$126.00	\$230.00
8	058-230-25	Legacy Estates Unit 1	Lot No. 8	\$126.00	\$230.00
9	058-230-25	Legacy Estates Unit 1	Lot No. 9	\$126.00	\$230.00
10	058-230-25	Legacy Estates Unit 1	Lot No. 10	\$126.00	\$230.00
11	058-230-25	Legacy Estates Unit 1	Lot No. 11	\$126.00	\$230.00
12	058-230-25	Legacy Estates Unit 1	Lot No. 12	\$126.00	\$230.00
13	058-230-25	Legacy Estates Unit 1	Lot No. 13	\$126.00	\$230.00
14	058-230-25	Legacy Estates Unit 1	Lot No. 14	\$126.00	\$230.00
15	058-230-25	Legacy Estates Unit 1	Lot No. 15	\$126.00	\$230.00
16	058-230-25	Legacy Estates Unit 1	Lot No. 16	\$126.00	\$230.00
17	058-230-25	Legacy Estates Unit 1	Lot No. 17	\$126.00	\$230.00
18	058-230-25	Legacy Estates Unit 1	Lot No. 18	\$126.00	\$230.00
19	058-230-25	Legacy Estates Unit 1	Lot No. 19	\$126.00	\$230.00
20	058-230-25	Legacy Estates Unit 1	Lot No. 20	\$126.00	\$230.00
21	058-230-25	Legacy Estates Unit 1	Lot No. 21	\$126.00	\$230.00
22	058-230-25	Legacy Estates Unit 1	Lot No. 22	\$126.00	\$230.00
23	058-230-25	Legacy Estates Unit 1	Lot No. 23	\$126.00	\$230.00
24	058-230-25	Legacy Estates Unit 1	Lot No. 24	\$126.00	\$230.00
25	058-230-25	Legacy Estates Unit 1	Lot No. 25	\$126.00	\$230.00
26	058-230-25	Legacy Estates Unit 1	Lot No. 26	\$126.00	\$230.00
27	058-230-25	Legacy Estates Unit 1	Lot No. 27	\$126.00	\$230.00
28	058-230-25	Legacy Estates Unit 1	Lot No. 28	\$126.00	\$230.00
29	058-230-25	Legacy Estates Unit 1	Lot No. 29	\$126.00	\$230.00
30	058-230-25	Legacy Estates Unit 1	Lot No. 30	\$126.00	\$230.00
31	058-230-25	Legacy Estates Unit 1	Lot No. 31	\$126.00	\$230.00
32	058-230-25	Legacy Estates Unit 1	Lot No. 32	\$126.00	\$230.00
33	058-230-25	Legacy Estates Unit 1	Lot No. 33	\$126.00	\$230.00
34	058-230-25	Legacy Estates Unit 1	Lot No. 34	\$126.00	\$230.00
35	058-230-25	Legacy Estates Unit 1	Lot No. 35	\$126.00	\$230.00
36	058-230-25	Legacy Estates Unit 1	Lot No. 36	\$126.00	\$230.00
37	058-230-25	Legacy Estates Unit 1	Lot No. 37	\$126.00	\$230.00
38	058-230-25	Legacy Estates Unit 1	Lot No. 38	\$126.00	\$230.00
39	058-230-25	Legacy Estates Unit 1	Lot No. 39	\$126.00	\$230.00
40	058-230-25	Legacy Estates Unit 1	Lot No. 40	\$126.00	\$230.00
41	058-230-25	Legacy Estates Unit 1	Lot No. 41	\$126.00	\$230.00
42	058-230-25	Legacy Estates Unit 1	Lot No. 42	\$126.00	\$230.00
43	058-230-25	Legacy Estates Unit 1	Lot No. 43	\$126.00	\$230.00
44	058-230-25	Legacy Estates Unit 1	Lot No. 44	\$126.00	\$230.00
45	058-230-25	Legacy Estates Unit 1	Lot No. 45	\$126.00	\$230.00

**EXHIBIT A
ASSESSMENT ROLL
LEGACY ESTATES I, LEGACY ESTATES II, KIRST ESTATES, ZONE 5,
AND THE VILLAS, ZONE 6
LODI CONSOLIDATED LANDSCAPE MAINTENANCE
ASSESSMENT DISTRICT NO. 2003-1
(PURSUANT TO THE LANDSCAPING AND LIGHTING ACT OF 1972)
CITY OF LODI, CA**

DIAGRAM NUMBER	COUNTY ASSESSOR NUMBER	UNIT NO.	LOT NO.	FY 2005-06 ESTIMATED ASSESSMENT	FY 2005-06 MAXIMUM ASSESSMENT
46	058-230-25	Legacy Estates Unit 1	Lot No. 46	\$126.00	\$230.00
47	058-230-25	Legacy Estates Unit 1	Lot No. 47	\$126.00	\$230.00
48	058-230-25	Legacy Estates Unit 1	Lot No. 48	\$126.00	\$230.00
49	058-230-25	Legacy Estates Unit 1	Lot No. 49	\$126.00	\$230.00
50	058-230-25	Legacy Estates Unit 1	Lot No. 50	\$126.00	\$230.00
51	058-230-25	Legacy Estates Unit 1	Lot No. 51	\$126.00	\$230.00
52	058-230-25	Legacy Estates Unit 1	Lot No. 52	\$126.00	\$230.00
53	058-230-25	Legacy Estates Unit 1	Lot No. 53	\$126.00	\$230.00
54	058-230-25	Legacy Estates Unit 1	Lot No. 54	\$126.00	\$230.00
55	058-230-25	Legacy Estates Unit 1	Lot No. 55	\$126.00	\$230.00
56	058-230-25	Legacy Estates Unit 1	Lot No. 56	\$126.00	\$230.00
57	058-230-25	Legacy Estates Unit 1	Lot No. 57	\$126.00	\$230.00
58	058-230-25	Legacy Estates Unit 1	Lot No. 58	\$126.00	\$230.00
59	058-230-25	Legacy Estates Unit 1	Lot No. 59	\$126.00	\$230.00
60	058-230-25	Legacy Estates Unit 1	Lot No. 60	\$126.00	\$230.00
61	058-230-25	Legacy Estates Unit 1	Lot No. 61	\$126.00	\$230.00
62	058-230-25	Legacy Estates Unit 1	Lot No. 62	\$126.00	\$230.00
63	058-230-25	Legacy Estates Unit 1	Lot No. 63	\$126.00	\$230.00
64	058-230-25	Legacy Estates Unit 1	Lot No. 64	\$126.00	\$230.00
65	058-230-25	Legacy Estates Unit 1	Lot No. 65	\$126.00	\$230.00
66	058-230-25	Legacy Estates Unit 1	Lot No. 66	\$126.00	\$230.00
67	058-230-25	Legacy Estates Unit 1	Lot No. 67	\$126.00	\$230.00
68	058-230-25	Legacy Estates Unit 1	Lot No. 68	\$126.00	\$230.00
69	058-230-25	Legacy Estates Unit 1	Lot No. 69	\$126.00	\$230.00
70	058-230-25	Legacy Estates Unit 1	Lot No. 70	\$126.00	\$230.00
71	058-230-25	Legacy Estates Unit 1	Lot No. 71	\$126.00	\$230.00
72	058-230-25	Legacy Estates Unit 1	Lot No. 72	\$126.00	\$230.00
73	058-230-25	Legacy Estates Unit 1	Lot No. 73	\$126.00	\$230.00
74	058-230-25	Legacy Estates Unit 1	Lot No. 74	\$126.00	\$230.00
75	058-230-25	Legacy Estates Unit 1	Lot No. 75	\$126.00	\$230.00
76	058-230-25	Legacy Estates Unit 1	Lot No. 76	\$126.00	\$230.00
77	058-230-25	Legacy Estates Unit 1	Lot No. 77	\$126.00	\$230.00
78	058-230-22	Legacy Estates Unit 2	Lot No. 1	\$126.00	\$230.00
79	058-230-22	Legacy Estates Unit 2	Lot No. 2	\$126.00	\$230.00
80	058-230-22	Legacy Estates Unit 2	Lot No. 3	\$126.00	\$230.00
81	058-230-22	Legacy Estates Unit 2	Lot No. 4	\$126.00	\$230.00
82	058-230-22	Legacy Estates Unit 2	Lot No. 5	\$126.00	\$230.00
83	058-230-22	Legacy Estates Unit 2	Lot No. 6	\$126.00	\$230.00
84	058-230-22	Legacy Estates Unit 2	Lot No. 7	\$126.00	\$230.00
85	058-230-22	Legacy Estates Unit 2	Lot No. 8	\$126.00	\$230.00
86	058-230-22	Legacy Estates Unit 2	Lot No. 9	\$126.00	\$230.00
87	058-230-22	Legacy Estates Unit 2	Lot No. 10	\$126.00	\$230.00
88	058-230-22	Legacy Estates Unit 2	Lot No. 11	\$126.00	\$230.00
89	058-230-22	Legacy Estates Unit 2	Lot No. 12	\$126.00	\$230.00
90	058-230-22	Legacy Estates Unit 2	Lot No. 13	\$126.00	\$230.00

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LEGACY ESTATES I, LEGACY ESTATES II, KIRST ESTATES, ZONE 5,
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ASSESSMENT DISTRICT NO. 2003-1
(PURSUANT TO THE LANDSCAPING AND LIGHTING ACT OF 1972)
CITY OF LODI, CA**

DIAGRAM NUMBER	COUNTY ASSESSOR NUMBER	UNIT NO.	LOT NO.	FY 2005-06 ESTIMATED ASSESSMENT	FY 2005-06 MAXIMUM ASSESSMENT
91	058-230-22	Legacy Estates Unit 2	Lot No. 14	\$126.00	\$230.00
92	058-230-22	Legacy Estates Unit 2	Lot No. 15	\$126.00	\$230.00
93	058-230-13	Legacy Estates Unit 2	Lot No. 16	\$126.00	\$230.00
94	058-230-13	Legacy Estates Unit 2	Lot No. 17	\$126.00	\$230.00
95	058-230-13	Legacy Estates Unit 2	Lot No. 18	\$126.00	\$230.00
96	058-230-13	Legacy Estates Unit 2	Lot No. 19	\$126.00	\$230.00
97	058-230-13	Legacy Estates Unit 2	Lot No. 20	\$126.00	\$230.00
98	058-230-13	Legacy Estates Unit 2	Lot No. 21	\$126.00	\$230.00
99	058-230-13	Legacy Estates Unit 2	Lot No. 22	\$126.00	\$230.00
100	058-230-13	Legacy Estates Unit 2	Lot No. 23	\$126.00	\$230.00
101	058-230-13	Legacy Estates Unit 2	Lot No. 24	\$126.00	\$230.00
102	058-230-13	Legacy Estates Unit 2	Lot No. 25	\$126.00	\$230.00
103	058-230-13	Legacy Estates Unit 2	Lot No. 26	\$126.00	\$230.00
104	058-230-13	Legacy Estates Unit 2	Lot No. 27	\$126.00	\$230.00
105	058-230-15	Legacy Estates Unit 2	Lot No. 28	\$126.00	\$230.00
106	058-230-15	Legacy Estates Unit 2	Lot No. 29	\$126.00	\$230.00
107	058-230-15	Legacy Estates Unit 2	Lot No. 30	\$126.00	\$230.00
108	058-230-15	Legacy Estates Unit 2	Lot No. 31	\$126.00	\$230.00
109	058-230-15	Legacy Estates Unit 2	Lot No. 32	\$126.00	\$230.00
110	058-230-15	Legacy Estates Unit 2	Lot No. 33	\$126.00	\$230.00
111	058-230-15	Legacy Estates Unit 2	Lot No. 34	\$126.00	\$230.00
112	058-230-15	Legacy Estates Unit 2	Lot No. 35	\$126.00	\$230.00
113	058-230-15	Legacy Estates Unit 2	Lot No. 36	\$126.00	\$230.00
114	058-230-15	Legacy Estates Unit 2	Lot No. 37	\$126.00	\$230.00
115	058-230-15	Legacy Estates Unit 2	Lot No. 38	\$126.00	\$230.00
116	058-230-15	Legacy Estates Unit 2	Lot No. 39	\$126.00	\$230.00
117	058-230-13	Legacy Estates Unit 2	Lot No. 40	\$126.00	\$230.00
118	058-230-13	Legacy Estates Unit 2	Lot No. 41	\$126.00	\$230.00
119	058-230-13	Legacy Estates Unit 2	Lot No. 42	\$126.00	\$230.00
120	058-230-13	Legacy Estates Unit 2	Lot No. 43	\$126.00	\$230.00
121	058-230-13	Legacy Estates Unit 2	Lot No. 44	\$126.00	\$230.00
122	058-230-13	Legacy Estates Unit 2	Lot No. 45	\$126.00	\$230.00
123	058-230-13	Legacy Estates Unit 2	Lot No. 46	\$126.00	\$230.00
124	058-230-13	Legacy Estates Unit 2	Lot No. 47	\$126.00	\$230.00
125	058-230-13	Legacy Estates Unit 2	Lot No. 48	\$126.00	\$230.00
126	058-230-13	Legacy Estates Unit 2	Lot No. 49	\$126.00	\$230.00
127	058-230-13	Legacy Estates Unit 2	Lot No. 50	\$126.00	\$230.00
128	058-230-13	Legacy Estates Unit 2	Lot No. 51	\$126.00	\$230.00
129	058-230-13	Legacy Estates Unit 2	Lot No. 52	\$126.00	\$230.00
130	058-230-13	Legacy Estates Unit 2	Lot No. 53	\$126.00	\$230.00
131	058-230-13	Legacy Estates Unit 2	Lot No. 54	\$126.00	\$230.00
132	058-230-13	Legacy Estates Unit 2	Lot No. 55	\$126.00	\$230.00
133	058-230-13	Legacy Estates Unit 2	Lot No. 56	\$126.00	\$230.00
134	058-230-13	Legacy Estates Unit 2	Lot No. 57	\$126.00	\$230.00
135	058-230-13	Legacy Estates Unit 2	Lot No. 58	\$126.00	\$230.00

**EXHIBIT A
ASSESSMENT ROLL
LEGACY ESTATES I, LEGACY ESTATES II, KIRST ESTATES, ZONE 5,
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LODI CONSOLIDATED LANDSCAPE MAINTENANCE
ASSESSMENT DISTRICT NO. 2003-1
(PURSUANT TO THE LANDSCAPING AND LIGHTING ACT OF 1972)
CITY OF LODI, CA**

DIAGRAM NUMBER	COUNTY ASSESSOR NUMBER	UNIT NO.	LOT NO.	FY 2005-06 ESTIMATED ASSESSMENT	FY 2005-06 MAXIMUM ASSESSMENT
136	058-230-13	Legacy Estates Unit 2	Lot No. 59	\$126.00	\$230.00
137	058-230-13	Legacy Estates Unit 2	Lot No. 60	\$126.00	\$230.00
138	058-230-13	Legacy Estates Unit 2	Lot No. 61	\$126.00	\$230.00
139	058-230-13	Legacy Estates Unit 2	Lot No. 62	\$126.00	\$230.00
140	058-230-13	Legacy Estates Unit 2	Lot No. 63	\$126.00	\$230.00
141	058-230-13	Legacy Estates Unit 2	Lot No. 64	\$126.00	\$230.00
142	058-230-13	Legacy Estates Unit 2	Lot No. 65	\$126.00	\$230.00
143	058-230-13	Legacy Estates Unit 2	Lot No. 66	\$126.00	\$230.00
144	058-230-13	Legacy Estates Unit 2	Lot No. 67	\$126.00	\$230.00
145	058-230-13	Legacy Estates Unit 2	Lot No. 68	\$126.00	\$230.00
146	058-230-13	Legacy Estates Unit 2	Lot No. 69	\$126.00	\$230.00
147	058-230-13	Legacy Estates Unit 2	Lot No. 70	\$126.00	\$230.00
148	058-230-13	Legacy Estates Unit 2	Lot No. 71	\$126.00	\$230.00
149	058-230-22	Legacy Estates Unit 2	Lot No. 72	\$126.00	\$230.00
150	058-230-22	Legacy Estates Unit 2	Lot No. 73	\$126.00	\$230.00
151	058-230-22	Legacy Estates Unit 2	Lot No. 74	\$126.00	\$230.00
152	058-230-22	Legacy Estates Unit 2	Lot No. 75	\$126.00	\$230.00
153	058-230-22	Legacy Estates Unit 2	Lot No. 76	\$126.00	\$230.00
154	058-230-22	Legacy Estates Unit 2	Lot No. 77	\$126.00	\$230.00
155	058-230-22	Legacy Estates Unit 2	Lot No. 78	\$126.00	\$230.00
156	058-230-22	Legacy Estates Unit 2	Lot No. 79	\$126.00	\$230.00
157	058-230-22	Legacy Estates Unit 2	Lot No. 80	\$126.00	\$230.00
158	058-230-22	Legacy Estates Unit 2	Lot No. 81	\$126.00	\$230.00
159	058-230-22	Legacy Estates Unit 2	Lot No. 82	\$126.00	\$230.00
160	058-230-13	Legacy Estates Unit 2	Lot No. 83	\$126.00	\$230.00
161	058-230-13	Legacy Estates Unit 2	Lot No. 84	\$126.00	\$230.00
162	058-230-22	Legacy Estates Unit 2	Lot No. 85	\$126.00	\$230.00
163	058-230-22	Legacy Estates Unit 2	Lot No. 86	\$126.00	\$230.00
164	058-230-22	Legacy Estates Unit 2	Lot No. 87	\$126.00	\$230.00
165	058-230-22	Legacy Estates Unit 2	Lot No. 88	\$126.00	\$230.00
166	058-230-22	Legacy Estates Unit 2	Lot No. 89	\$126.00	\$230.00
167	058-230-22	Legacy Estates Unit 2	Lot No. 90	\$126.00	\$230.00
168	058-230-22	Legacy Estates Unit 2	Lot No. 91	\$126.00	\$230.00
169	058-230-22	Legacy Estates Unit 2	Lot No. 92	\$126.00	\$230.00
170	058-230-22	Legacy Estates Unit 2	Lot No. 93	\$126.00	\$230.00
171	058-230-22	Legacy Estates Unit 2	Lot No. 94	\$126.00	\$230.00
172	058-230-22	Legacy Estates Unit 2	Lot No. 95	\$126.00	\$230.00
173	058-230-22	Legacy Estates Unit 2	Lot No. 96	\$126.00	\$230.00
174	058-230-22	Legacy Estates Unit 2	Lot No. 97	\$126.00	\$230.00
175	058-230-22	Legacy Estates Unit 2	Lot No. 98	\$126.00	\$230.00
176	058-230-13	Legacy Estates Unit 2	Lot No. 99	\$126.00	\$230.00
177	058-230-13	Legacy Estates Unit 2	Lot No. 100	\$126.00	\$230.00
178	058-230-22	Legacy Estates Unit 2	Lot No. 101	\$126.00	\$230.00
179	058-230-22	Legacy Estates Unit 2	Lot No. 102	\$126.00	\$230.00
180	058-230-22	Legacy Estates Unit 2	Lot No. 103	\$126.00	\$230.00

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ASSESSMENT ROLL
LEGACY ESTATES I, LEGACY ESTATES II, KIRST ESTATES, ZONE 5,
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LODI CONSOLIDATED LANDSCAPE MAINTENANCE
ASSESSMENT DISTRICT NO. 2003-1
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CITY OF LODI, CA**

DIAGRAM NUMBER	COUNTY ASSESSOR NUMBER	UNIT NO.	LOT NO.	FY 2005-06 ESTIMATED ASSESSMENT	FY 2005-06 MAXIMUM ASSESSMENT
181	058-230-22	Legacy Estates Unit 2	Lot No. 104	\$126.00	\$230.00
182	058-230-22	Legacy Estates Unit 2	Lot No. 105	\$126.00	\$230.00
183	058-230-22	Legacy Estates Unit 2	Lot No. 106	\$126.00	\$230.00
184	058-230-22	Legacy Estates Unit 2	Lot No. 107	\$126.00	\$230.00
185	058-230-22	Legacy Estates Unit 2	Lot No. 108	\$126.00	\$230.00
186	058-230-22	Legacy Estates Unit 2	Lot No. 109	\$126.00	\$230.00
187	058-230-22	Legacy Estates Unit 2	Lot No. 110	\$126.00	\$230.00
188	058-230-22	Legacy Estates Unit 2	Lot No. 111	\$126.00	\$230.00
189	058-230-22	Legacy Estates Unit 2	Lot No. 112	\$126.00	\$230.00
190	058-230-22	Legacy Estates Unit 2	Lot No. 113	\$126.00	\$230.00
191	058-230-22	Legacy Estates Unit 2	Lot No. 114	\$126.00	\$230.00
192	058-230-22	Legacy Estates Unit 2	Lot No. 115	\$126.00	\$230.00
193	058-230-22	Legacy Estates Unit 2	Lot No. 116	\$126.00	\$230.00
194	058-230-22	Legacy Estates Unit 2	Lot No. 117	\$126.00	\$230.00
195	058-230-22	Legacy Estates Unit 2	Lot No. 118	\$126.00	\$230.00
196	058-230-13	Legacy Estates Unit 2	Lot No. 119	\$126.00	\$230.00
197	058-230-13	Legacy Estates Unit 2	Lot No. 120	\$126.00	\$230.00
198	058-230-22	Legacy Estates Unit 2	Lot No. 121	\$126.00	\$230.00
199	058-230-22	Legacy Estates Unit 2	Lot No. 122	\$126.00	\$230.00
200	058-230-22	Legacy Estates Unit 2	Lot No. 123	\$126.00	\$230.00
201	058-230-22	Legacy Estates Unit 2	Lot No. 124	\$126.00	\$230.00
202	058-230-22	Legacy Estates Unit 2	Lot No. 125	\$126.00	\$230.00
203	058-230-22	Legacy Estates Unit 2	Lot No. 126	\$126.00	\$230.00
204	058-230-22	Legacy Estates Unit 2	Lot No. 127	\$126.00	\$230.00
205	058-230-22	Legacy Estates Unit 2	Lot No. 128	\$126.00	\$230.00
206	058-230-22	Legacy Estates Unit 2	Lot No. 129	\$126.00	\$230.00
207	058-230-22	Legacy Estates Unit 2	Lot No. 130	\$126.00	\$230.00
208	058-230-22	Legacy Estates Unit 2	Lot No. 131	\$126.00	\$230.00
209	058-230-22	Legacy Estates Unit 2	Lot No. 132	\$126.00	\$230.00
210	058-230-22	Legacy Estates Unit 2	Lot No. 133	\$126.00	\$230.00
211	058-230-22	Legacy Estates Unit 2	Lot No. 134	\$126.00	\$230.00
212	058-230-22	Legacy Estates Unit 2	Lot No. 135	\$126.00	\$230.00
213	058-230-22	Legacy Estates Unit 2	Lot No. 136	\$126.00	\$230.00
214	058-230-22	Legacy Estates Unit 2	Lot No. 137	\$126.00	\$230.00
215	058-230-22	Legacy Estates Unit 2	Lot No. 138	\$126.00	\$230.00
216	058-230-22	Legacy Estates Unit 2	Lot No. 139	\$126.00	\$230.00
217	058-230-22	Legacy Estates Unit 2	Lot No. 140	\$126.00	\$230.00
218	058-230-17	Kirst Estates	Lot No. 1	\$126.00	\$230.00
219	058-230-17	Kirst Estates	Lot No. 2	\$126.00	\$230.00
220	058-230-17	Kirst Estates	Lot No. 3	\$126.00	\$230.00
221	058-230-17	Kirst Estates	Lot No. 4	\$126.00	\$230.00
222	058-230-17	Kirst Estates	Lot No. 5	\$126.00	\$230.00
223	058-230-17	Kirst Estates	Lot No. 6	\$126.00	\$230.00

ZONE 5 TOTAL	\$28,098.00	\$51,290.00
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**EXHIBIT A
ASSESSMENT ROLL
LEGACY ESTATES I, LEGACY ESTATES II, KIRST ESTATES, ZONE 5,
AND THE VILLAS, ZONE 6
LODI CONSOLIDATED LANDSCAPE MAINTENANCE
ASSESSMENT DISTRICT NO. 2003-1
(PURSUANT TO THE LANDSCAPING AND LIGHTING ACT OF 1972)
CITY OF LODI, CA**

DIAGRAM NUMBER	COUNTY ASSESSOR NUMBER	UNIT NO.	LOT NO.	FY 2005-06 ESTIMATED ASSESSMENT	FY 2005-06 MAXIMUM ASSESSMENT
224	062-029-17	The Villas	Lot No. 1	\$425.00	\$524.00
225	062-029-17	The Villas	Lot No. 2	\$425.00	\$524.00
226	062-029-17	The Villas	Lot No. 3	\$425.00	\$524.00
227	062-029-17	The Villas	Lot No. 4	\$425.00	\$524.00
228	062-029-17	The Villas	Lot No. 5	\$425.00	\$524.00
229	062-029-17	The Villas	Lot No. 6	\$425.00	\$524.00
230	062-029-17	The Villas	Lot No. 7	\$425.00	\$524.00
231	062-029-17	The Villas	Lot No. 8	\$425.00	\$524.00
232	062-029-17	The Villas	Lot No. 9	\$425.00	\$524.00
233	062-029-17	The Villas	Lot No. 10	\$425.00	\$524.00
234	062-029-17	The Villas	Lot No. 11	\$425.00	\$524.00
235	062-029-17	The Villas	Lot No. 12	\$425.00	\$524.00
236	062-029-17	The Villas	Lot No. 13	\$425.00	\$524.00
237	062-029-17	The Villas	Lot No. 14	\$425.00	\$524.00
238	062-029-17	The Villas	Lot No. 15	\$425.00	\$524.00
239	062-029-17	The Villas	Lot No. 16	\$425.00	\$524.00
240	062-029-17	The Villas	Lot No. 17	\$425.00	\$524.00
241	062-029-17	The Villas	Lot No. 18	\$425.00	\$524.00
242	062-029-17	The Villas	Lot No. 19	\$425.00	\$524.00
243	062-029-17	The Villas	Lot No. 20	\$425.00	\$524.00
244	062-029-17	The Villas	Lot No. 21	\$425.00	\$524.00
245	062-029-17	The Villas	Lot No. 22	\$425.00	\$524.00
246	062-029-17	The Villas	Lot No. 23	\$425.00	\$524.00
247	062-029-17	The Villas	Lot No. 24	\$425.00	\$524.00
248	062-029-17	The Villas	Lot No. 25	\$425.00	\$524.00
249	062-029-17	The Villas	Lot No. 26	\$425.00	\$524.00
250	062-029-17	The Villas	Lot No. 27	\$425.00	\$524.00
251	062-029-17	The Villas	Lot No. 28	\$425.00	\$524.00
252	062-029-17	The Villas	Lot No. 29	\$425.00	\$524.00
253	062-029-17	The Villas	Lot No. 30	\$425.00	\$524.00
254	062-029-17	The Villas	Lot No. 31	\$425.00	\$524.00
255	062-029-17	The Villas	Lot No. 32	\$425.00	\$524.00
256	062-029-17	The Villas	Lot No. 33	\$425.00	\$524.00
257	062-029-17	The Villas	Lot No. 34	\$425.00	\$524.00
258	062-029-17	The Villas	Lot No. 35	\$425.00	\$524.00
259	062-029-17	The Villas	Lot No. 36	\$425.00	\$524.00
260	062-029-17	The Villas	Lot No. 37	\$425.00	\$524.00
261	062-029-17	The Villas	Lot No. 38	\$425.00	\$524.00
262	062-029-17	The Villas	Lot No. 39	\$425.00	\$524.00
263	062-029-17	The Villas	Lot No. 40	\$425.00	\$524.00
264	062-029-17	The Villas	Lot No. 41	\$425.00	\$524.00
265	062-029-17	The Villas	Lot No. 42	\$425.00	\$524.00
266	062-029-17	The Villas	Lot No. 43	\$425.00	\$524.00
267	062-029-17	The Villas	Lot No. 44	\$425.00	\$524.00
268	062-029-17	The Villas	Lot No. 45	\$425.00	\$524.00

**EXHIBIT A
ASSESSMENT ROLL
LEGACY ESTATES I, LEGACY ESTATES II, KIRST ESTATES, ZONE 5,
AND THE VILLAS, ZONE 6
LODI CONSOLIDATED LANDSCAPE MAINTENANCE
ASSESSMENT DISTRICT NO. 2003-1
(PURSUANT TO THE LANDSCAPING AND LIGHTING ACT OF 1972)
CITY OF LODI, CA**

DIAGRAM NUMBER	COUNTY ASSESSOR NUMBER	UNIT NO.	LOT NO.	FY 2005-06 ESTIMATED ASSESSMENT	FY 2005-06 MAXIMUM ASSESSMENT
269	062-029-17	The Villas	Lot No. 46	\$425.00	\$524.00
270	062-029-17	The Villas	Lot No. 47	\$425.00	\$524.00
271	062-029-17	The Villas	Lot No. 48	\$425.00	\$524.00
272	062-029-17	The Villas	Lot No. 49	\$425.00	\$524.00
273	062-029-17	The Villas	Lot No. 50	\$425.00	\$524.00
274	062-029-17	The Villas	Lot No. 51	\$425.00	\$524.00
275	062-029-17	The Villas	Lot No. 52	\$425.00	\$524.00
276	062-029-17	The Villas	Lot No. 53	\$425.00	\$524.00
277	062-029-17	The Villas	Lot No. 54	\$425.00	\$524.00
278	062-029-17	The Villas	Lot No. 55	\$425.00	\$524.00
279	062-029-17	The Villas	Lot No. 56	\$425.00	\$524.00
280	062-029-17	The Villas	Lot No. 57	\$425.00	\$524.00
281	062-029-17	The Villas	Lot No. 58	\$425.00	\$524.00
282	062-029-17	The Villas	Lot No. 59	\$425.00	\$524.00
283	062-029-17	The Villas	Lot No. 60	\$425.00	\$524.00
284	062-029-17	The Villas	Lot No. 61	\$425.00	\$524.00
285	062-029-17	The Villas	Lot No. 62	\$425.00	\$524.00
286	062-029-17	The Villas	Lot No. 63	\$425.00	\$524.00
287	062-029-17	The Villas	Lot No. 64	\$425.00	\$524.00
288	062-029-17	The Villas	Lot No. 65	\$425.00	\$524.00
289	062-029-17	The Villas	Lot No. 66	\$425.00	\$524.00
290	062-029-17	The Villas	Lot No. 67	\$425.00	\$524.00
291	062-029-17	The Villas	Lot No. 68	\$425.00	\$524.00
292	062-029-17	The Villas	Lot No. 69	\$425.00	\$524.00
293	062-029-17	The Villas	Lot No. 70	\$425.00	\$524.00
294	062-029-17	The Villas	Lot No. 71	\$425.00	\$524.00
295	062-029-17	The Villas	Lot No. 72	\$425.00	\$524.00
296	062-029-17	The Villas	Lot No. 73	\$425.00	\$524.00
297	062-029-17	The Villas	Lot No. 74	\$425.00	\$524.00
298	062-029-17	The Villas	Lot No. 75	\$425.00	\$524.00
299	062-029-17	The Villas	Lot No. 76	\$425.00	\$524.00
300	062-029-17	The Villas	Lot No. 77	\$425.00	\$524.00
301	062-029-17	The Villas	Lot No. 78	\$425.00	\$524.00
302	062-029-17	The Villas	Lot No. 79	\$425.00	\$524.00
303	062-029-17	The Villas	Lot No. 80	\$425.00	\$524.00
ZONE 6 TOTAL				\$34,000.00	\$41,920.00

PROPOSED AMENDED BOUNDARIES
(LEGACY ESTATES 1&11 AND KIRST ESTATES,
ZONE 5 ANNEXATION)
CITY OF LODI CONSOLIDATED LANDSCAPE
MAINTENANCE ASSESSMENT DISTRICT
NO. 2003-1 CITY OF LODI,
SAN JOAQUIN COUNTY
STATE OF CALIFORNIA

BEING A PORTION OF THE SOUTHEAST
QUARTER OF SECTION 15, T.3N., R.6E., M.D.B.&M.,
CITY OF LODI,
SAN JOAQUIN COUNTY, CALIFORNIA

THOMPSON-HYSELL ENGINEERS
1016 12th STREET MODESTO, CALIFORNIA
JUNE, 2004

FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF LODI, THIS _____ DAY
OF _____, 2004.

CITY CLERK OF THE CITY OF LODI

RECORDED THIS _____ DAY OF _____, 2004, AT THE HOUR
OF _____, IN _____ PAGE _____ OF
MAP OF ASSESSMENTS AND COMMUNITY FACILITIES DISTRICTS IN THE OFFICE OF
THE COUNTY RECORDER OF THE COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA.

COUNTY RECORDER
OF SAN JOAQUIN COUNTY, CALIFORNIA

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES OF
LODI CONSOLIDATED LANDSCAPE MAINTENANCE ASSESSMENT DISTRICT NO. 2003-1,
CITY OF LODI, SAN JOAQUIN COUNTY, CALIFORNIA, WAS APPROVED BY THE CITY
COUNCIL OF THE CITY OF LODI, SAN JOAQUIN COUNTY, CALIFORNIA, BY RESOLUTION NO.
2004-05-17, DATED MAY 18, 2004, BY ITS RESOLUTION NO.

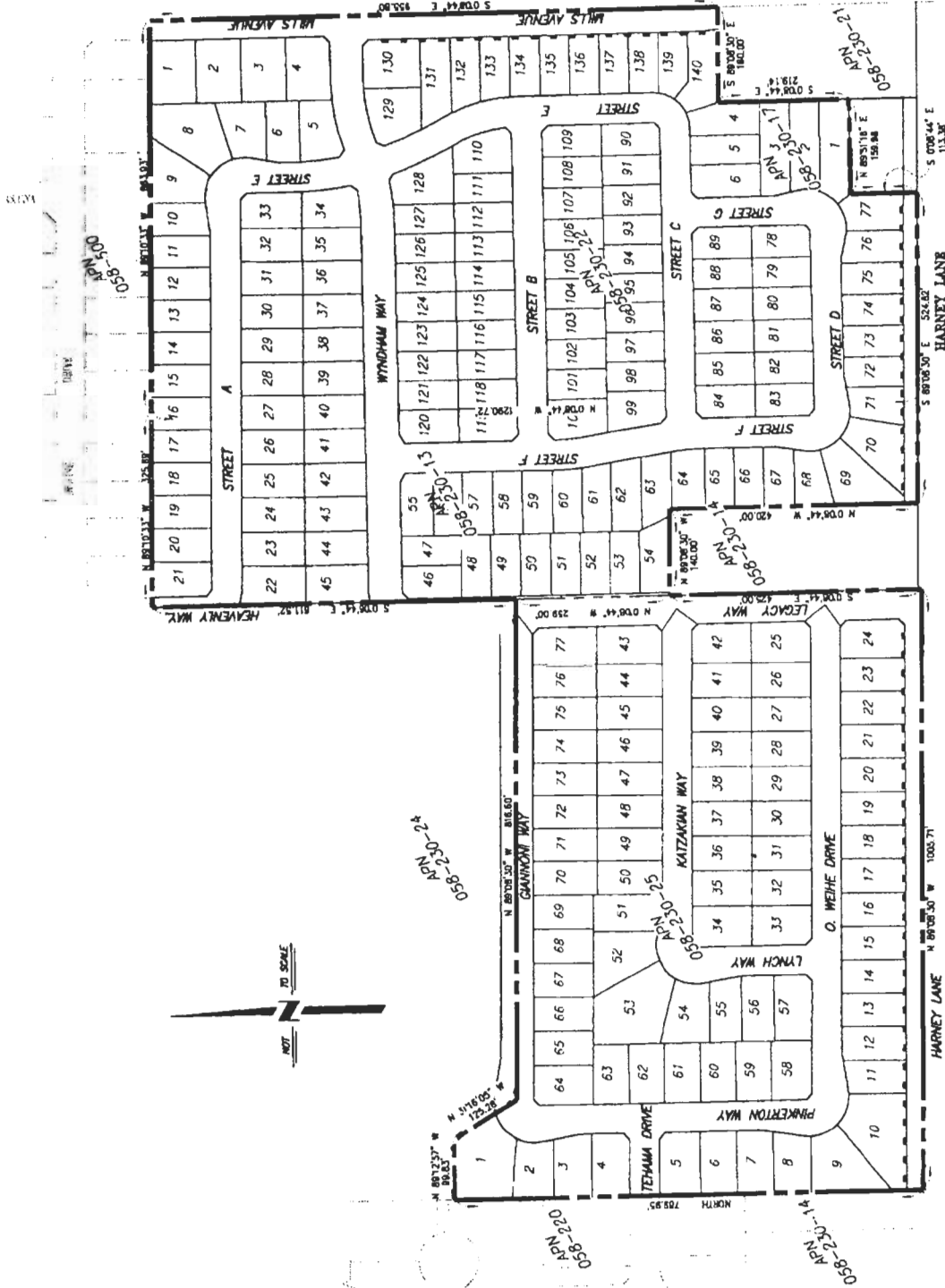
CITY CLERK OF THE CITY OF LODI

THE AMENDED BOUNDARY MAP AMONG THE BOUNDARY MAP FOR CITY OF LODI
MAINTENANCE ASSESSMENT DISTRICT NO. 2003-1, CITY OF LODI, SAN JOAQUIN
COUNTY, STATE OF CALIFORNIA, PRIOR TO THE CITY OF LODI, SAN JOAQUIN
COUNTY, STATE OF CALIFORNIA, RECORDS AT BOOK 4 OF MAPS AND ASSESSMENTS AND COMMUNITY FACILITIES DISTRICTS
AT PAGE 100, IN THE OFFICE OF THE COUNTY RECORDER FOR THE COUNTY OF
SAN JOAQUIN, STATE OF CALIFORNIA.

LEGEND:

OVERALL DISTRICT BOUNDARY LINE

EXHIBIT B



ASSESSMENT DIAGRAM, ZONE 5
LEGACY ESTATES I&H, AND KIRST ESTATES
CITY OF LODI CONSOLIDATED LANDSCAPE
MAINTENANCE ASSESSMENT DISTRICT
NO. 2003-1 CITY OF LODI,
SAN JOAQUIN COUNTY
STATE OF CALIFORNIA

BEING THE SOUTHEAST PORTION OF SECTION 15
T.3 N., R. 6 E., M. D. B. & M.,
CITY OF LODI,
SAN JOAQUIN COUNTY, CALIFORNIA

FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF LODI THIS _____
DAY OF _____ 2004.

CITY CLERK OF THE CITY OF LODI _____

RECORDED IN THE OFFICE OF THE SUPERINTENDENT OF STREETS THIS _____
DAY OF _____ 2004.

SUPERINTENDENT OF STREETS
OF THE CITY OF LODI _____

FILED THIS _____ DAY OF _____ 2004 AT THE HOUR
OF _____ M. IN BOOK _____ PAGE _____
OF _____ MAP OF ASSESSMENTS AND COMMUNITY FACILITIES DISTRICTS IN THE OFFICE OF
THE COUNTY RECORDER OF THE COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA.

ASSESSOR-RECORDER-COUNTY CLERK
OF SAN JOAQUIN COUNTY, CALIFORNIA _____

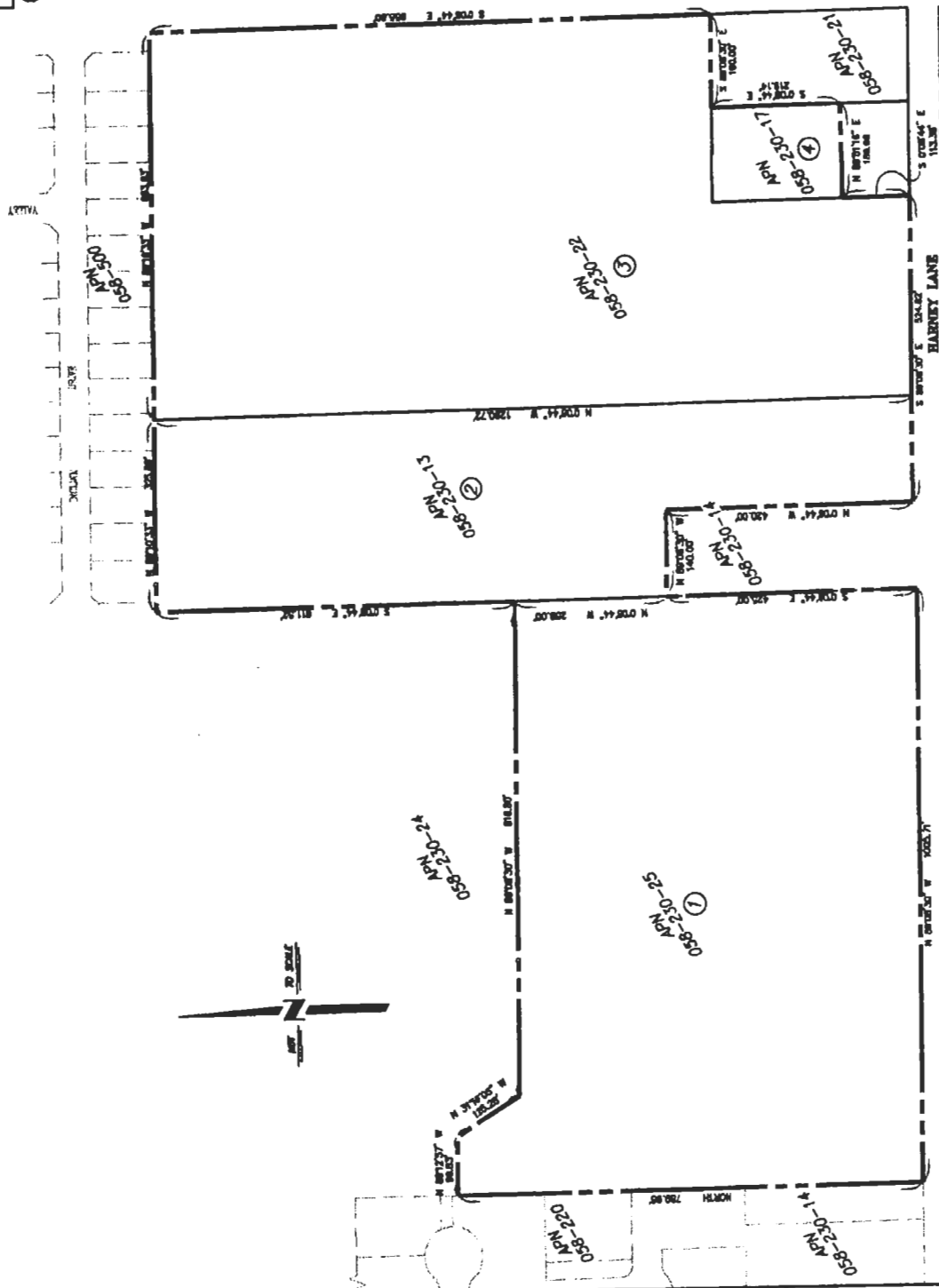
AN ASSESSMENT WAS LEVIED BY THE CITY COUNCIL OF THE CITY OF LODI,
COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA, ON THE _____ PARCELS AND PARCELS
OF LAND SHOWN ON THE ASSESSMENT MAP OF THE ASSESSMENT DISTRICT NO. _____
OF THE CITY OF LODI, SAN JOAQUIN COUNTY, CALIFORNIA, FOR THE YEAR _____.
THE ASSESSMENT WILL BE RECORDED IN THE OFFICE OF THE SUPERINTENDENT
OF STREETS OF THE CITY OF LODI, SAN JOAQUIN COUNTY, CALIFORNIA, ON THE _____ DAY OF _____ 2004.
REFERENCE IS MADE TO THE ASSESSMENT ROLL RECORDED IN THE OFFICE OF THE
SUPERINTENDENT OF STREETS FOR THE EXACT AMOUNT OF EACH ASSESSMENT
LEVIED AGAINST EACH PARCEL OF LAND SHOWN ON THIS ASSESSMENT DIAGRAM.

CITY CLERK OF THE CITY OF LODI _____

EXHIBIT C
SHEET 1 OF 2



**THOMPSON-HYSELL
ENGINEERS**
A MEMBER OF THE HNTB GROUP
1000 WEST STREET, ANAHEIM, CA 92801 (951) 951-4000



LEGEND:
--- ASSESSMENT DISTRICT BOUNDARY LINE
① ASSESSMENT DISTRICT PARCEL NUMBER

ASSESSMENT DIAGRAM INDEX

BOOK PAGE PARCELS
056 230 13, 17 (PORTION), 22, 25

NOTES:
1. ASSESSMENTS APPLY ONLY TO LAND LOCATED WITHIN
THE CITY OF LODI AND WITHIN THE DESIGNATED
ASSESSOR'S PARCELS.
2. THIS MAP WAS COMPILED FROM THE RECORD INFORMATION
AND IS NOT THE RESULT OF A FIELD SURVEY.
3. THIS ASSESSMENT DISTRICT CONTAINS 42.80 ACRES.

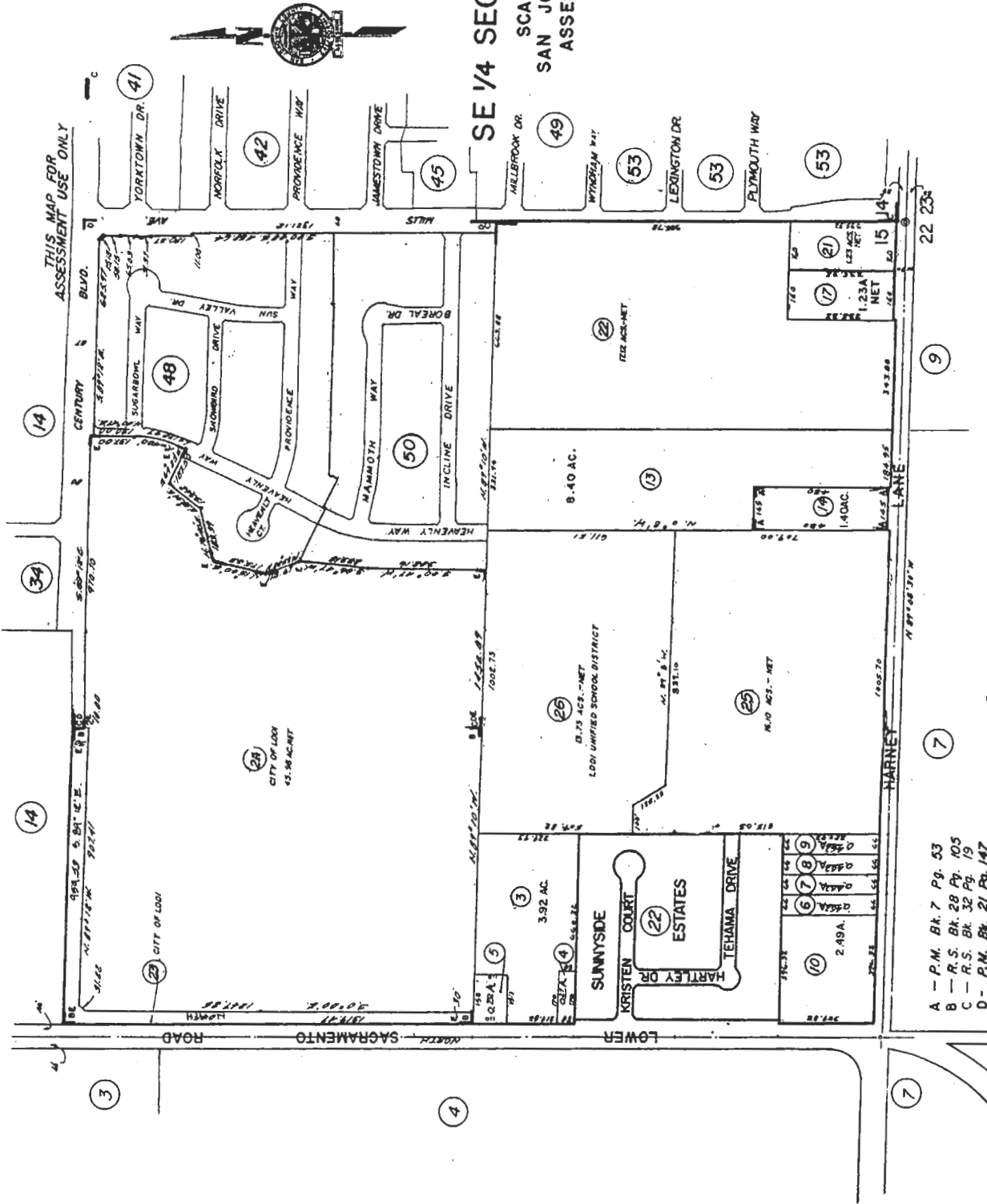
058-23

SE 1/4 SEC. 15 T.3N.R.6E
SCALE 1"=300'
SAN JOAQUIN COUNTY
ASSESSOR'S MAPS

APR 16 2003

EXHIBIT C

SHEET 2 OF 2



A - P.M. Bk. 7 Pg. 53
B - R.S. Bk. 28 Pg. 105
C - R.S. Bk. 32 Pg. 19
D - P.M. Bk. 21 Pg. 147

E - P.M. Bk. 22 Pg. 65

PROPOSED AMENDED BOUNDARIES
(THE VILLAS, ZONE 6 ANNEXATION)
CITY OF LODI CONSOLIDATED LANDSCAPE
MAINTENANCE ASSESSMENT DISTRICT
NO. 2003-1 CITY OF LODI,
SAN JOAQUIN COUNTY
STATE OF CALIFORNIA

BEING A PORTION OF THE SOUTHEAST
QUARTER OF SECTION 13, T.3N., R.6E., M.D.B.&M.,
CITY OF LODI,
SAN JOAQUIN COUNTY, CALIFORNIA

THOMPSON-HYSELL ENGINEERS
1016 12th STREET MODESTO, CALIFORNIA
JUNE, 2004

FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF LOOS, THIS _____ DAY
OF _____ 2004.

CITY CLERK OF THE CITY OF LOS ANGELES

RECORDED THIS _____ DAY OF _____, 2004 AT THE HOUR
OF _____ O'CLOCK _____ M. IN BOOK _____ PAGE _____ OF
MAP OF ASSESSMENTS AND COMMUNITY FACILITIES DISTRICTS IN THE OFFICE OF
THE COUNTY RECORDER OF THE COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA

COUNTY RECORDER
OF SAN JOAQUIN COUNTY, CALIFORNIA

I, HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES OF LODI CONSOLIDATED LANDSCAPE MAINTENANCE ASSESSMENT DISTRICT NO. 2003-1, CITY OF LODI, SAN JOAQUIN COUNTY, CALIFORNIA WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF LODI AT A REGULAR MEETING THEREOF, HELD ON THE _____, 2004, BY ITS RESOLUTION NO. _____.

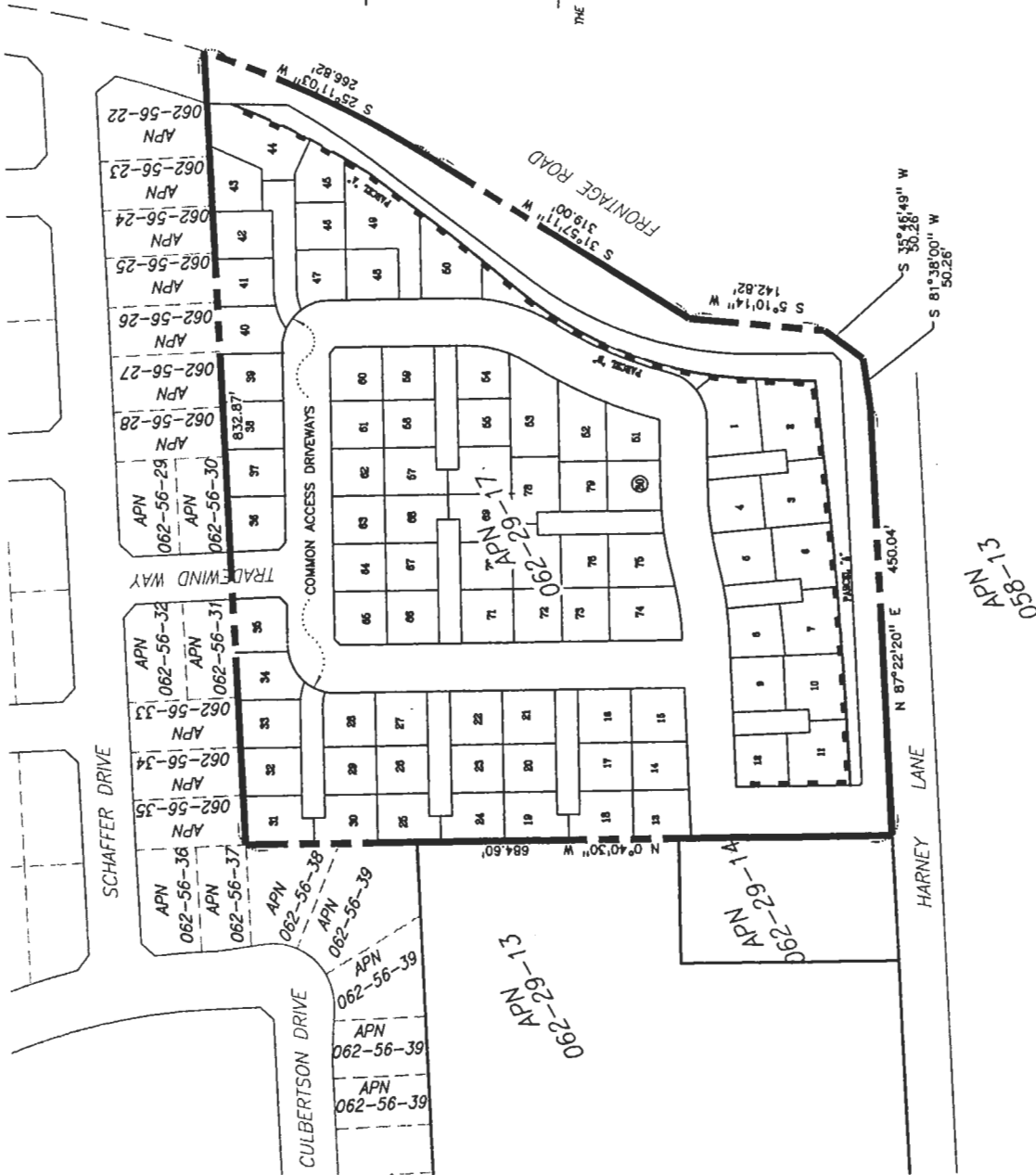
CITY CLERK OF THE CITY OF LOS ANGELES

THE AMENDED BOUNDARY MAP AMENDS THE BOUNDARY MAP FOR CITY OF LOOJ CONSOLIDATED LANDSCAPE MAINTENANCE ASSESSMENT DISTRICT NO. 2003-1, CITY OF LOOJ, SAN JOAQUIN COUNTY, STATE OF CALIFORNIA PRIOR RECORDED AT BOOK 4 OF MAPS AND ASSESSMENTS AND COMMUNITY FACILITIES DISTRICTS IN PAGE 100, IN THE OFFICE OF THE COUNTY RECORDER FOR THE COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA.

LEGEND:

OVERALL DISTRICT BOUNDARY LINE

EXHIBIT D



ASSESSMENT DIAGRAM, ZONE 6
THE VILLAS
CITY OF LODI CONSOLIDATED LANDSCAPE
MAINTENANCE ASSESSMENT DISTRICT
NO. 2003-1 CITY OF LODI,
SAN JOAQUIN COUNTY
STATE OF CALIFORNIA

BEING THE SOUTHEAST PORTION OF SECTION 13
T.3 N., R. 6 E., M. D. B. & M.,
CITY OF LODI,
SAN JOAQUIN COUNTY, CALIFORNIA

FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF LOS ANGELES
DAY OF _____ 2004.

City Clerk of the City of Los Angeles

RECORDED IN THE OFFICE OF THE SUPERINTENDENT OF STREETS THIS
DAY OF _____ 2004.

SUPERINTENDENT OF STREETS
OF THE CITY OF LOS ANGELES

FILED THIS _____ DAY OF _____, 2004 AT THE HOUR
OF _____ M. IN BOOK _____ PAGE _____
MAP OF ASSESSMENTS AND COMMUNITY FACILITIES DISTRICTS IN THE OFFICE OF
THE COUNTY REORDER OF THE COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA

ASSESSOR-RECORDER-COUNTY CLERK
OF SAN JOAQUIN COUNTY, CALIFORNIA

[illegible]

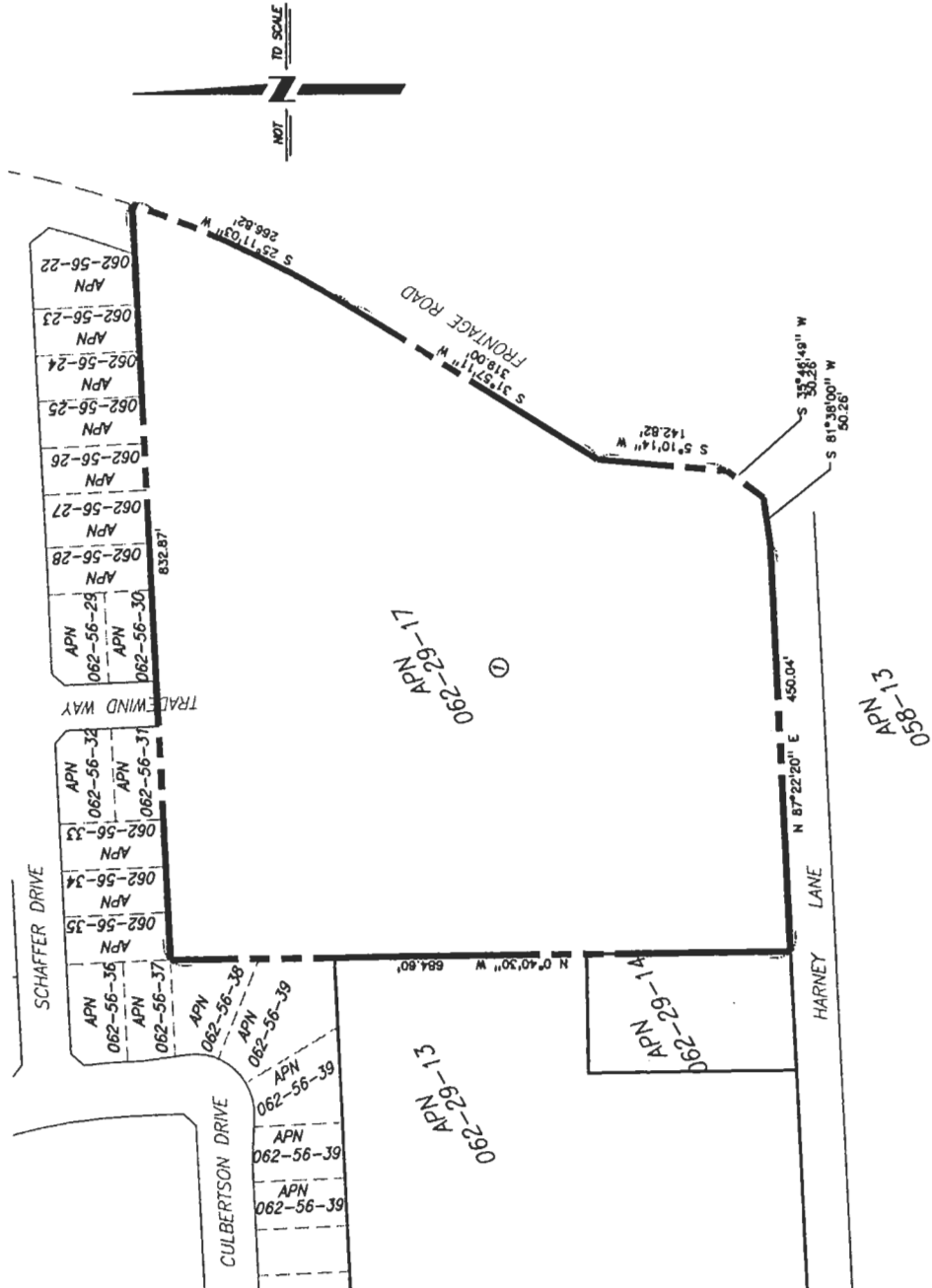
CITY CLERK OF THE CITY OF LOS ANGELES

EXHIBIT E

SHEET 1 OF 2



**THOMPSON-HYSELL
ENGINEERS**
A Division of The Hyatt Corporation, Inc.
1000 J. Edgar Hoover Building, Suite 200
Washington, D.C. 20535



LEGEND:

ASSESSMENT DISTRICT BOUNDARY LINE

① ASSESSMENT DISTRICT PARCEL NUMBER

ASSESSMENT DIAGRAM INDEX

<u>BOOK</u>	<u>PAGE</u>	<u>PARCELS</u>
062	290	17

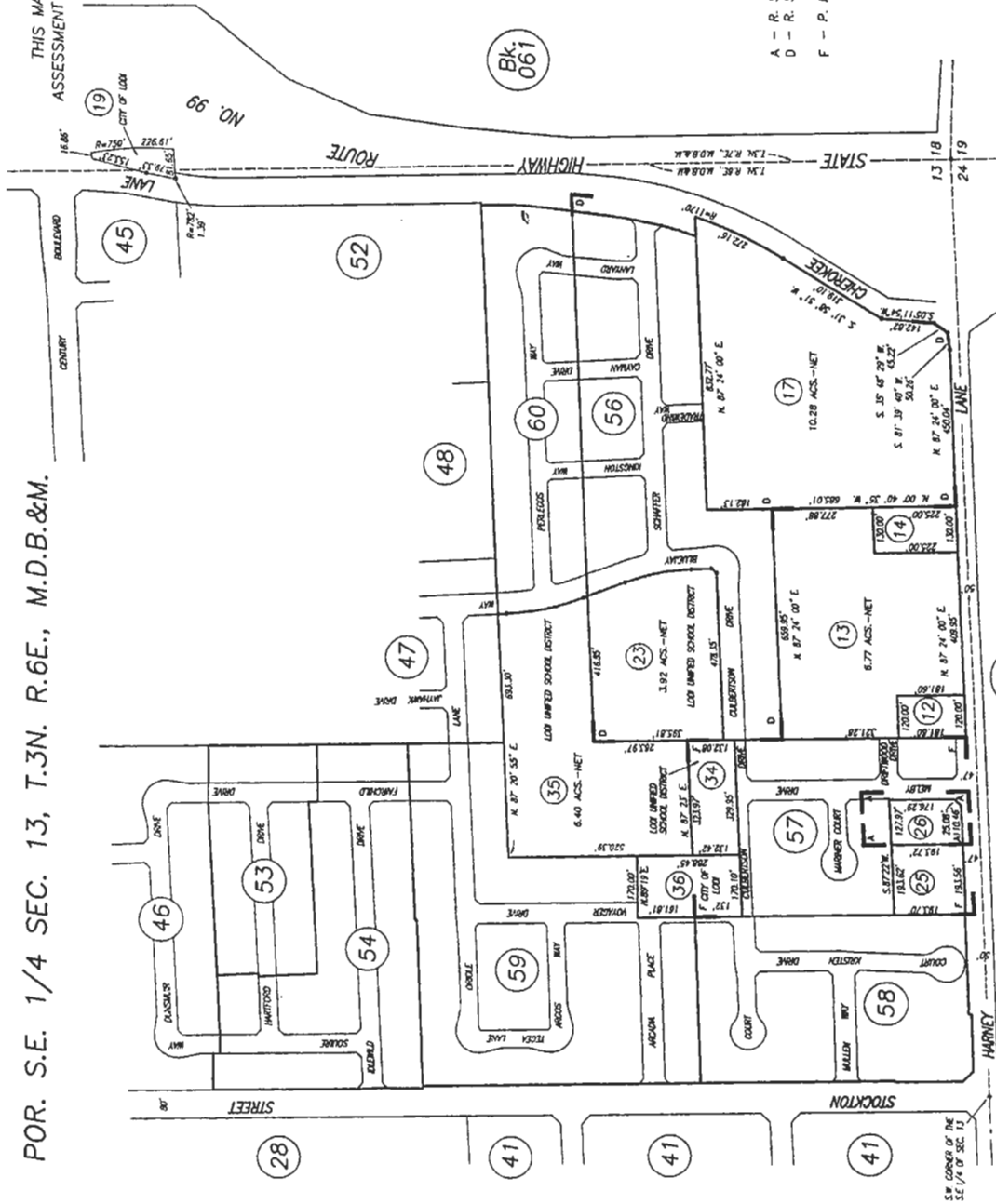
NOTES:

1. ASSESSMENTS APPLY ONLY TO LAND LOCATED WITHIN THE CITY OF LEO AND WITHIN THE DESIGNATED ASSESSOR'S PARCELS
2. THIS MAP WAS COMPILED FROM THE RECORD INFORMATION AND IS NOT THE RESULT OF A FIELD SURVEY.
1. THIS ASSESSMENT DISTRICT CONTAINS 13.48 ACRES.

POR. S.E. 1/4 SEC. 13, T.3N. R.6E., M.D.B.&M.

THIS MAP FOR
ASSESSMENT USE ONLY

062-29



HIGHEST A.P.N. USED		
YEAR	PAR. #	PAR. #
84-85	16	
89-91	18	
91-94	20	
94-94	21	
97-98	31	
98-99	32	
01-02	34	
	35	

A - R. S. Bk. 22 Pg. 109
D - R. S. Bk. 31 Pg. 001
F - P. M. Bk. 20 Pg. 166

NOTE: Assessor's Parcel Numbers Shown in Circles
Assessor's Block Numbers Shown in Ellipses

CITY OF LODI
Assessor's Map Bk.062 Pg. 29
County of San Joaquin, Calif.

EXHIBIT E
APR 24 2002

35-96

SHEET 2 OF 2

A RESOLUTION OF THE LODI CITY COUNCIL MAKING PRELIMINARY
DETERMINATION TO ANNEX LEGACY ESTATES I, LEGACY ESTATES II AND
KIRST ESTATES (ZONE 5) AND TO ANNEX THE VILLAS (ZONE 6) TO A
MAINTENANCE ASSESSMENT DISTRICT, TO FORM ZONES 5 AND 6, TO
LEVY AN ANNUAL ASSESSMENT FOR COSTS INCURRED AND PRELIMINARY
APPROVAL OF ENGINEER'S REPORT

LEGACY ESTATES I, LEGACY ESTATES II AND KIRST ESTATES ZONE 5
AND THE VILLAS ZONE 6
LODI CONSOLIDATED LANDSCAPE MAINTENANCE
ASSESSMENT DISTRICT NO. 2003-1
(Landscaping and Lighting Act of 1972)

=====

NOW, THEREFORE, BE IT RESOLVED, by the Lodi City Council, that:

1. The City Council proposes to annex territories to an existing assessment district, to form two Zones and to levy and collect assessments pursuant to the Landscaping and Lighting Act of 1972 (Streets & Highways Code, Section 22500, et seq.) (the "Act").
2. The improvements to be installed and /or maintained in the territories to be annexed are generally described in Exhibit A (Legacy Estates I, Legacy Estates II and Kirst Estates) and Exhibit B (The Villas) attached hereto and incorporated herein as thought set out in full.
3. The territories to be annexed shall be known as follows:
 - A. Legacy Estates I, Legacy Estates II and Kirst Estates Zone 5, Lodi Consolidated Landscape Maintenance Assessment District No. 2003-1 (Landscaping and Lighting Act of 1972), City of Lodi, San Joaquin County, California. The territories to be annexed, Legacy Estates I, Legacy Estates II and Kirst Estates, are residential areas comprising approximately 223 lots in all, west of Mills Avenue, north of Harney Lane, east of Lower Sacramento Road and south of Century Boulevard in the City of Lodi, California.
 - B. The Villas Zone 6, Lodi Consolidated Landscape Maintenance Assessment District No. 2003-1 (Landscaping and Lighting Act of 1972), City of Lodi, San Joaquin County, California. The territory to be annexed, The Villas, is a residential area comprising approximately 80 lots, south of Schaeffer Drive, east of Cherokee Lane, and north of Harney Lane in the City of Lodi, California.
4. Thompson-Hysell Engineering, a division of The Keith Companies, Inc., of Modesto, California, is hereby directed to prepare and file a report in accordance with Article 4 (commencing with Section 22565 of Chapter 1 of Streets & Highways Code).

5. Thompson-Hysell Engineering, a division of The Keith Companies, Inc., designated engineer, in accordance with the Council's directive herein, has filed with the City Clerk the Report required by Section 22585 of the Act which Report is hereby preliminarily approved.

Dated: July 7, 2004

=====

I hereby certify that Resolution No. 2004-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held July 7, 2004, by the following vote:

AYES: COUNCIL MEMBERS

NOES: COUNCIL MEMBERS

ABSENT: COUNCIL MEMBERS

ABSTAIN: COUNCIL MEMBERS

SUSAN J. BLACKSTON
City Clerk

2004-_____

A RESOLUTION OF THE LODI CITY COUNCIL DECLARING ITS
INTENTION TO ANNEX LEGACY ESTATES I, LEGACY ESTATES II AND
KIRST ESTATES (ZONE 5) AND TO ANNEX THE VILLAS (ZONE 6) TO A
MAINTENANCE ASSESSMENT DISTRICT, TO FORM ZONES 5 AND 6,
TO LEVY AND COLLECT AN ANNUAL ASSESSMENT FOR
MAINTENANCE AND OPERATION OF IMPROVEMENTS AND FOR
COSTS AND EXPENSES AND SETTING TIME AND PLACE OF PUBLIC
HEARING AND SETTING FORTH MAILED PROPERTY OWNER
BALLOT PROCEDURE AND NOTICE

LEGACY ESTATES I, LEGACY ESTATES II AND KIRST
ESTATES ZONE 5 AND THE VILLAS ZONE 6
LODI CONSOLIDATED LANDSCAPE MAINTENANCE
ASSESSMENT DISTRICT NO. 2003-1
(Landscaping and Lighting Act of 1972)

=====

NOW, THEREFORE, BE IT RESOLVED, by the Lodi City Council, that:

1. The City Council proposes to annex territories to an existing assessment district, to form two Zones and to levy and collect assessments pursuant to the Landscaping and Lighting Act of 1972 (Streets & Highways Code, Section 22500, et seq.) (the "Act").
2. The improvements to be installed and /or maintained in the territories to be annexed are generally described in Exhibit A (Legacy Estates I, Legacy Estates II and Kirst Estates) and Exhibit B (The Villas) attached hereto and incorporated herein as though set out in full.
3. The territories to be annexed shall be known as follows:
 - A. Legacy Estates I, Legacy Estates II and Kirst Estates Zone 5, Lodi Consolidated Landscape Maintenance Assessment District No. 2003-1 (Landscaping and Lighting Act of 1972), City of Lodi, San Joaquin County, California. The territories to be annexed, Legacy Estates I, Legacy Estates II and Kirst Estates, are residential areas comprising approximately 223 lots in all, west of Mills Avenue, north of Harney Lane, east of Lower Sacramento Road and south of Century Blvd. in the City of Lodi, California.
 - B. The Villas Zone 6, Lodi Consolidated Landscape Maintenance Assessment District No. 2003-1 (Landscaping and Lighting Act of 1972), City of Lodi, San Joaquin County, California. The territory to be annexed, The Villas, is a residential area comprising approximately 80 lots, south of Schaeffer Drive, east of Cherokee Lane, and north of Harney Lane in the City of Lodi, California.

4. In accordance with the City Council's resolution initiating proceedings, Thompson-Hysell Engineering, a division of The Keith Companies, Inc., of Modesto, California, designated engineer, has filed with the City Clerk the Report required by Section 22585 of the Act, which Report has been preliminarily approved by this Council. All interested persons are referred to that Report for a full and detailed description of the improvements, the Zones to be formed, the proposed assessments upon assessable lots and parcels of land within the territories proposed to be annexed and the proposed budgets for the fiscal year 2004/2005, the estimated cost of annual operation and maintenance of the improvements and the maximum annual assessment.

5. On Wednesday, September 1, 2004, at the hour of 7:00 p.m. or as soon thereafter as possible, at the regular meeting place of the Lodi City Council, Carnegie Forum, 305 West Pine Street, Lodi, California, the City Council will conduct a public hearing at which the Council will hear and consider any objections and protests respecting (a) whether the public interest and convenience require the improvements and/or maintenance thereof, (b) the extent of the territories to be annexed and the formation of Zones 5 and 6, (c) the estimated costs and expenses of the project, (d) the amounts of the assessments proposed to be levied upon the benefited parcels, and (e) the method or formula by which benefit has been estimated and any other aspect of the proposed annexation of territories and the formation of Zone 5 and 6 to which any interested person may want to object or protest. The City Clerk shall tabulate the assessment ballots received and report the same to the City Council.

6. The proposed boundaries of the proposed territories to be annexed are hereby described as shown on a map thereof on file in the office of the City Clerk (the "Amended Boundary Map"), which indicates by a boundary line the extent of the territories to be included in the proposed annexation and which Amended Boundary Map shall govern for all details for further purposes of the proceedings for the annexations and to which reference is hereby made for further particulars. This Council approves the map and adopts the boundaries shown on the map as describing the extent of the territories included in the proposed annexations and finds that the map is in the form and contains the matters prescribed by Section 3113 of the California Streets and Highways Code. This Council directs the City Clerk to certify the adoption of this resolution on the face of the map, and to record, or cause to be recorded, said map of the boundaries of the territories proposed to be annexed in the office of the County Recorder within ten days of the date of the adoption of this Resolution.

7. Notice is further given that Wally Sandelin of the Public Works Department, Telephone (209) 333-6709, is the person and the department designated by this Council to answer inquiries regarding the protest proceedings.

8. The City Clerk is hereby authorized and directed to cause notice of the hearings ordered under Section 5 hereof to be given by mailing, postage prepaid, in the United States mail, and such notice shall be deemed to have been given when so deposited in such mail. The envelope or cover of the mailing shall include the name of the City and the return address of the City Clerk as the sender. The mailed notice shall be given to all property owners within the territories to be annexed as shown in the Engineer's Report by such mailing by name to those persons whose name and addresses appear on the last equalized assessment roll of the County of San Joaquin or the State Board of Equalization assessment roll, as the case may be. The notice shall

include, but not be limited to, the total amount of the assessment proposed to be levied in the territories proposed to be annexed, the assessment proposed for the owner's particular parcel(s) and the duration thereof, the reason for the assessment and the basis upon which the amount of the assessment was calculated. Each notice shall also contain an assessment ballot, a summary of the procedures applicable to the completion, return and tabulation of assessment ballots and a statement that the existence of a majority protest will result in the assessment not being imposed. The notice herein provided shall be mailed not less than forty-five (45) days before the date of the public hearing.

Dated: July 7, 2004

=====

I hereby certify that Resolution Nb. 2004-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held July 7, 2004, by the following vote:

AYES: COUNCIL MEMBERS

NOES: COUNCIL MEMBERS

ABSENT: COUNCIL MEMBERS

ABSTAIN: COUNCIL MEMBERS

SUSAN J. BLACKSTON
City Clerk

2004-_____

RESOLUTION NO. 2004-_____

A RESOLUTION OF THE LODI CITY COUNCIL AUTHORIZING THE CITY
MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT
WITH TIMOTHY J. HACHMAN, ATTORNEY AT LAW , FOR SERVICES
REQUIRED IN SUPPORT OF THE ANNEXATION OF LEGACY
ESTATES I, LEGACY ESTATES II, AND KIRST ESTATES ZONE 5 AND
THE VILLAS ZONE 6 TO THE LODI CONSOLIDATED LANDSCAPE
MAINTENANCE DISTRICT NO. 2003-1

=====

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby
authorize the City Manager to execute a professional services agreement with Timothy J.
Hachman, Attorney at Law, for services required in support of the annexation of Legacy
Estates I, Legacy Estates II, and Kirst Estates Zone 5 and The Villas Zone 6 to the Lodi
Consolidated Landscape Maintenance District No. 2003-1, in an amount not to exceed
\$6,500.00.

Dated: July 7, 2004

=====

I hereby certify that Resolution No. 2004-_____ was passed and adopted by the
Lodi City Council in a regular meeting held July 7, 2004, by the following vote:

AYES: COUNCIL MEMBERS –
NOES: COUNCIL MEMBERS –
ABSENT: COUNCIL MEMBERS –
ABSTAIN: COUNCIL MEMBERS –

SUSAN J. BLACKSTON
City Clerk

2004-_____

RESOLUTION NO. 2004-_____

A RESOLUTION OF THE LODI CITY COUNCIL AUTHORIZING THE CITY
MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT
WITH THOMPSON-HYSELL ENGINEERS, A DIVISION OF THE KEITH
COMPANIES, INC., FOR SERVICES REQUIRED IN SUPPORT OF THE
ANNEXATION OF LEGACY ESTATES I, LEGACY ESTATES II, AND
KIRST ESTATES ZONE 5 AND THE VILLAS ZONE 6 TO THE LODI
CONSOLIDATED LANDSCAPE MAINTENANCE DISTRICT NO. 2003-1

=====

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby
authorize the City Manager to execute a professional services agreement with
Thompson-Hysell Engineers, a Division of the Keith Companies, Inc., for services
required in support of the annexation of Legacy Estates I, Legacy Estates II, and Kirst
Estates Zone 5 and The Villas Zone 6 to the Lodi Consolidated Landscape Maintenance
District No. 2003-1, in an amount not to exceed \$9,000.00.

Dated: July 7, 2004

=====

I hereby certify that Resolution No. 2004-_____ was passed and adopted by the
Lodi City Council in a regular meeting held July 7, 2004, by the following vote:

AYES: COUNCIL MEMBERS –
NOES: COUNCIL MEMBERS –
ABSENT: COUNCIL MEMBERS –
ABSTAIN: COUNCIL MEMBERS –

SUSAN J. BLACKSTON
City Clerk

2004-_____



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution approving Cost of Living Increases for Confidential Employees

MEETING DATE: Wednesday, July 7, 2004

RECOMMENDED ACTION: That the City Council approve cost of living increases for confidential employees.

BACKGROUND INFORMATION: The City of Lodi endeavors to compensate employees in a manner that allows us to recruit – and retain – a talented and proficient workforce. Recently the City completed negotiations with the General Services bargaining unit. Confidential-designated employees' salaries are aligned to this bargaining unit, and have received the same cost of living increases as General Services in the past. In order to maintain their salary alignments with General Service employees, it is important that they receive the same cost of living increases. Therefore, it is requested that Council approve the following cost of living increases through 2005 for confidential employees (Administrative Clerk – Conf., Administrative Secretary – Conf., Deputy City Clerk, Human Resources Technician, Legal Secretary and Secretary to the City Manager):

Effective Date	COLA
Pay period in which July 1, 2004 falls.	CPI-W Index minimum of 2% maximum of 4%. Calculated using the April 2004 average that is issued by the Department of Labor.
Pay period in which July 1, 2005 falls.	CPI-W Index minimum of 2% maximum of 4%. Calculated using the April 2005 average that is issued by the Department of Labor.

FUNDING: \$6,337 – FY 04-05
\$6,463 (approx.) FY 05-06

Funding is available:

James Krueger, Finance Director

Respectfully submitted,

Kirk J. Evans, Risk Manager

APPROVED: _____
H. Dixon Flynn, City Manager

RESOLUTION NO. 2004-_____

A RESOLUTION OF THE LODI CITY COUNCIL
APPROVING COST OF LIVING INCREASES FOR
CONFIDENTIAL-DESIGNATED EMPLOYEES

=====

WHEREAS, the City recently completed negotiations with the General Services bargaining unit. Confidential-designated employees' salaries are aligned to this bargaining unit and have received the same cost of living increases as General Services in the past; and

WHEREAS, in order to maintain their salary alignments with General Service employees, it is important that they receive the same cost of living increases; and

WHEREAS, it is recommended that Council approve the following cost of living increases through 2005 for Confidential-designated employees (Administrative Clerk – Confidential; Administrative Secretary – Confidential; Deputy City Clerk; Human Resources Technician; Legal Secretary; and Secretary to the City Manager):

Effective Date	COLA
Pay period in which July 1, 2004 falls.	CPI-W Index minimum of 2% maximum of 4%. Calculated using the April 2004 average that is issued by the Department of Labor.
Pay period in which July 1, 2005 falls.	CPI-W Index minimum of 2% maximum of 4%. Calculated using the April 2005 average that is issued by the Department of Labor.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Lodi does hereby approve the above cost of living increases for Confidential-designated employees through 2005 (effective 1) the pay period in which July 1, 2004, falls and 2) the pay period in which July 1, 2005, falls).

Dated: July 7, 2004

=====

I hereby certify that Resolution No. 2004-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held July 7, 2004, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

SUSAN J. BLACKSTON
City Clerk

2004-_____

Comments by the public on non-agenda items

THE TIME ALLOWED PER NON-AGENDA ITEM FOR COMMENTS MADE BY THE PUBLIC IS LIMITED TO FIVE MINUTES.

The City Council cannot deliberate or take any action on a non-agenda item unless there is factual evidence presented to the City Council indicating that the subject brought up by the public does fall into one of the exceptions under Government Code Section 54954.2 in that (a) there is an emergency situation, or (b) the need to take action on the item arose subsequent to the agenda's being posted.

Unless the City Council is presented with this factual evidence, the City Council will refer the matter for review and placement on a future City Council agenda.



CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution Approving the Impact Mitigation Fee Program Annual Report for Fiscal Year 2002/2003

MEETING DATE: July 7, 2004

PREPARED BY: Public Works Director

RECOMMENDED ACTION: That the City Council adopt a resolution approving the Impact Mitigation Fee Program Annual Report for Fiscal Year 2002/2003.

BACKGROUND INFORMATION: The City Council adopted the "Final Report, City of Lodi Development Impact Fee Study," prepared by Nolte and Associates and Angus McDonald Associates in 1991, as well as the "Development Impact Fee Update Study," prepared by Harris & Associates. These actions established and updated the City's Development Impact Fee program. Staff has prepared the following exhibits for approval:

Exhibit A – A summary of the current and past fees, beginning and ending balances for each fee account, total fees collected, interest earned, and total expenditures from each account for FY 2002/2003.

Exhibit B – A summary by account of public improvement projects on which fees were expended during FY 2002/2003.

FUNDING: None required.

Richard C. Prima, Jr.
Public Works Director

Prepared by Rebecca Areida, Management Analyst

RCP/RA/pmf

Attachments

cc: Wally Sandelin, City Engineer

APPROVED: _____
H. Dixon Flynn, City Manager

RESOLUTION NO. 2004-_____

A RESOLUTION OF THE LODI CITY COUNCIL
APPROVING THE IMPACT MITIGATION FEE PROGRAM
ANNUAL REPORT FOR FISCAL YEAR 2002-03

=====

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council hereby approves the Impact Mitigation Fee Program Annual Report for Fiscal Year 2002-03, as shown on Exhibits A and B attached and made a part of this Resolution.

Dated: July 7, 2004

=====

I hereby certify that Resolution No. 2004-_____ was passed and adopted by the Lodi City Council in a regular meeting held July 7, 2004, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

SUSAN J. BLACKSTON
City Clerk

2004-_____

	A	B	C	D	E	F	G	H	I	J	K
1	EXHIBIT A										
2	IMPACT MITIGATION FEE PROGRAM										
3	FY 2002/03 Annual Report										
4											
5											
6	Fee:	Wastewater	Water	Storm Drain	Streets-Local	Streets-Regional	Police	Fire	Parks & Rec	General Facilities	Art in PP
7	Fund # :	173	182	326	327	332	1215	1216	1217	1218	1214
8											
9											
10	Fee Amount 7/1/02 - 12/31/02 (1)	\$515	\$4,031	\$11,601	\$4,699	\$3,402	\$1,584	\$1,548	\$19,886	\$6,400	
11	Fee Amount 1/1/03 - 6/30/03 (1)	525	4,105	11,813	4,784	3,465	1,613	1,577	20,249	6,517	2%
12											
13											
14											
15	Beginning Balance	\$203,940.10	\$2,190,391.76	\$998,470.55	\$601,233.94	(\$127,254.85)	\$564,322.67	(\$1,458,331.52)	\$1,026,751.26	\$1,203,123.65	\$37,666.10
16	as of June 30, 2002(2)										
17											
18	Revenues	129,553.59	446,738.77	1,092,359.50	498,728.39	344,250.97	319,132.15	181,653.85	1,044,533.80	645,857.42	95,104.25
19											
20	Interest Earned	9,413.41	20,764.45	39,848.70	20,207.64	14,030.52	18,086.56	5,213.59	43,601.37	30,588.04	4,272.06
21											
22	Sale of City Property	0	0.00	10,794.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
23											
24	Transfers In	301,000.00	0.00	0.00	0.00	0.00	0.00	0.00	40,000.00	0.00	217,888.00
25											
26	Revenue Subtotal	439,967.00	467,503.22	1,143,002.20	518,936.03	358,281.49	337,218.71	186,867.44	1,128,135.17	676,445.46	317,264.31
27											
28	Expenditures	807.71	117,583.02	280,782.69	333,457.97	644,134.84	0.00	126,306.23	38,551.81	0.00	7,255.00
29											
30											
31	Transfers Out	0	10,959.76	75,145.60	103,192.07	29,369.17	0.00	0.00	0.00	1,587,347.00	0.00
32											
33	Subtotal All Expenditures	807.71	128,542.78	355,928.29	436,650.04	673,504.01	0.00	126,306.23	38,551.81	1,587,347.00	7,255.00
34											
35											
36	Net Assets/Ending Fund Balances	\$ 643,099.39	\$ 2,529,352.00	\$1,785,544.46	\$683,519.93	(\$442,477.00)	\$901,541.38	(\$1,397,770.00)	\$2,114,886.00	\$292,222.11	\$347,675.41
37											
38											
39	Interfund Loans		(1,396,763.48)			756,770.00		1,396,763.48	(\$756,770.00)		
40	Receivables	(2,201.31)	(3,296.32)	(6,297.08)	(2,806.08)	(1,475.77)	(3,085.95)	(636.20)	(4,648.79)	(1,435.67)	(1,190.08)
41	Payables		17,277.85	673.54	136,258.79	104,299.67					
42											
43	Ending Cash Balances	\$ 640,898.08	\$ 1,146,570.45	\$1,779,920.92	\$816,972.44	\$417,116.53	\$898,455.43	(\$1,643.03)	\$1,353,467.64	\$290,786.44	\$346,485.22
44											
45											
46											
47		(1) Fees listed are per acre for one Residential Acre Equivalent (RAE). Each land use									
48		presents a different demand for services that are reflected in RAE adjustment factors.									
49											
50		(2) Taken from 6/30/02 trial balance per Finance									
51											
52											

Cell: B18
Comment: rareida:
\$40,421 - Reimbursable charges for Harney Lane Lift Station.

Cell: D22
Comment: rareida:
Revenues to the IMF Storm Drain fund from the sale of dirt from G-Basin (Debenedetti Park)

Cell: B24
Comment: rareida:
A reimbursement by a developer for the Kettleman Lane Lift Station was deposited into the wastewater fund. This transfer moved the funds into the IMF wastewater fund.

Cell: I24
Comment: rareida:
Loan payment from Regional Streets IMF (332) for Lower Sac project.

Cell: K24
Comment: rareida:
Transfer of 2% of Police Facility construction contract.

Cell: C31
Comment: rareida:
Transfer funds from IMF water fund to water capital fund (180) for water facilities constructed prior to 1991 with capacity to serve new development

Cell: D31
Comment: rareida:
Operating transfer (storm drain fund cost of services)

Cell: E31
Comment: rareida:
Operating transfer (street fund cost of services, \$75,145.60) &
\$28,046.47-Transfer of funds from IMF local streets fund to street fund (320) for street facilities constructed prior to 1991 with capacity to serve new development

Cell: F31
Comment: rareida:
\$19,051.04-Transfer of funds from IMF regional fund to street fund (320) for street facilities constructed before 1991 with capacity to serve new development.
\$10,318.13 - Transfer to fund 335 (State Grants) for Lower Sacramento Rd. project adjustment.

Cell: J31
Comment: rareida:
\$1,460,147-Transfer funds from IMF general facilities fund to general fund for IMF program monitoring for FY 91/92 through 02/03 &
\$127,200-Environmental Impact Report for Housing Element (\$127,200)

Cell: C39
Comment: rareida:
Loan to Fire IMF for the Fire Station #4 project.

Cell: F39
Comment: rareida:
Loan from Parks & Rec IMF for the Lower Sacramento Rd. project.

Cell: H39
Comment: rareida:

Loan from Water IMF for the Fire Station #4 project.

Cell: I39

Comment: rareida:
Interfund loan to Regional Street IMF (332) for Lower Sacramento Rd

Cell: B40

Comment: rareida:
Accrued interest distribution.

Cell: C40

Comment: rareida:
Accrued interest distribution.

Cell: D40

Comment: rareida:
\$183.54 - Purchase order to Software House International.
\$6,113.54 - Accrued interest distribution.

Cell: E40

Comment: rareida:
Accrued interest distribution

Cell: F40

Comment: rareida:
Accrued interest distribution

Cell: G40

Comment: rareida:
Accrued interest distribution.

Cell: H40

Comment: rareida:
Accrued interest distribution.

Cell: I40

Comment: rareida:
Accrued interest distribution.

Cell: J40

Comment: rareida:
Accrued interest distribution.

Cell: K40

Comment: rareida:
Accrued interest distribution.

Cell: C41

Comment: rareida:
\$6,142 - Contract retention payable.

Cell: E41

Comment: rareida:
\$15,071.80 - Contract retention payable.

EXHIBIT B
IMPACT MITIGATION FEE PROGRAM
SUMMARY OF PUBLIC IMPROVEMENT PROJECT EXPENDITURES
FY 2002/03

Project No.	Account No.	Description	Wastewater(2) 173	Water(2) 182	Storm Drain 326	Streets-Local 327	Streets-Regional 332	Police 1215	Fire 1216	Parks & Rec 1217	General Facilities 1218	Art in Public Pl 1214
MSSI002	173002	Flow Monitoring	808									
MWSO003	182041	Water Utility Planning		2,828								
	182450	Oversize Water Main Crossings		24,400								
	182460	Well 26		47,097								
MWWI003	182465	Subst Test Drill		16,438								
MWWI005	182466	DeBenedetti Well		26,819								
MSDI015	326008	Century Meadows 3, #5			272,506							
MSDI017	326017	G Basin			4,900							
	326032	Westside Master Plan			3,377							
MTSI014	327004	Century Meadows				86,152						
MRRX001	327005	RR Track Removal				3,236						
MTS023	327008	TS-Century/Ham				2,821						
MTSI032	327011	Lockeford St Widening				23,648						
	327013	RR Track Removal-Lodi Ave				36,024						
MTS013	327070	TS-Harney/Stockton				156,177						
MBC003	327072	Mills Ave Roadway				3,821						
MTSI001	327088	Kettleman Gap Closure				21,578						
MTSI006,7,8	332011	LSR Expansion					271,066					
MTSI009-12	332048	LSR - South					211,761					
MTSI001-03	332088	Kettleman Gap Closure					136,444					
	332031	COG Loan Interest					24,864					
	1214001	Art in Public Places										7,255
LDF001	1216139	Fire Station #4 Construction							2,994			
LFD002	102012	Lease-Fire Equip (Transfer)*							123,312			
MPR045	1217797	Eastside Park								38,552		
Total			808	117,583	280,783	333,458	644,135	0	126,306	38,552	0	7,255

Expenditures are as of 6/30/03.



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Continued Discussions Regarding Draft Fiscal Year 2004-05 Financial Plan and Budget

MEETING DATE: July 7, 2004

PREPARED BY: Deputy City Manager

RECOMMENDED ACTION: That Council continue discussions regarding the Draft Fiscal Year 2004-05 Financial Plan and Budget.

BACKGROUND INFORMATION: Council is scheduled to complete budget discussions during the July 6, 2004 Shirtsleeve Session, however due to the Special Meeting scheduled for 7:00 a.m. on July 6, 2004 to discuss the CalPERS medical costs and options, there is a strong possibility that there will not be enough time to discuss the budget. Therefore, staff recommends that any budget topics not covered Tuesday morning be discussed during the Council meeting on Wednesday night.

Topics slated for discussion include the following:

1. Interfund Transfers
2. Personnel Staffing
3. Summary of Significant Expenditure Requests

Additionally the City Manager encourages Council Members to meet individually with him and staff to review any questions and clarifications regarding the Draft Budget prior to Budget adoption on July 21, 2004.

FUNDING: Not Applicable

Janet S. Keeter
Deputy City Manager

JSK

APPROVED: _____
H. Dixon Flynn, City Manager

Comments by the City Council Members on non-agenda items